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INDEX

FIRST SESSION, THIRTIETH PARLIAMENT

PUBLIC BILLS (GOVERNMENT)

A — Bill No.

Assessment Act—Act to amend 8
Assignment of Book Debts Act—Act to amend 10

B

Bills of Sale and Chattel Mortgages Act—Act to amend 9

C

Conditional Sales Act—Act to amend 11
Conveyancing and Law of Property Act—Act to amend 42

D

Development Corporations Act, 1973—Act to amend 6

H

Highway Traffic Act—Act to amend 2
—Act to amend 27

I

Income Tax Act—Act to amend 37

J

Judicature Act—Act to amend 1

L

Landlord and Tenant Act—Act to amend 26
Liquor Licence Act, 1975—Act to amend 39

M

Motorized Snow Vehicles Act, 1974—Act to amend 34
Municipal Act—Act to amend 7
—Act to amend 48

O

Ontario Energy Board Act—Act to amend 4

P Bill No.

Planning Act—Act to amend 41
Public Commercial Vehicles Act—Act to amend 3

R

Residential Premises—Act to provide for the Review of Rents in respect of 20
Retail Businesses, Holiday Closings for—Act to regulate 5

S

Supply Act, 1976 45

PUBLIC BILLS (PRIVATE MEMBERS')

	Bill No.
A	
Automobile Insurance Rate Control Board—Act to establish	35
C	
Consumer Protection Act—Act to amend	50
Consumer Reporting Act, 1973—Act to amend	13
E	
Election Act—Act to amend	24
Emergency Medical and First Aid Services—Act to relieve Persons from Liability in respect of voluntary	14
F	
Family Benefits Act—Act to amend	30
Freedom of Information—Act to provide for	28
G	
Greyhound Racing—Act to prohibit	49
H	
Health Insurance Act, 1972—Act to amend	31
Highway Traffic Act—Act to amend	16
—Act to amend	23
—Act to amend	32
L	
Labour Ombudsman—Act to provide for the Appointment of	12
Labour Relations Act—Act to amend	36
Legislative Assembly Act—Act to amend	43
M	
Medical Data Bank—Act to establish	21
Mental Health Act—Act to amend	29
Mill Rate Increases—Act to limit	51
Ministry of Government Services Act, 1973—Act to amend	17
Municipality of Metropolitan Toronto Act—Act to amend	40
N	
Non-Returnable Beverage Containers—Act to prohibit the Use of	44

O Bill No.

Occupational Health Act, 1975 33
Ontario Bill of Rights—Act to establish 18
Ontario Human Rights Code—Act to amend 19

P

Post retirement integration of Insurance Moneys and Pension Benefits with increases in Government social security plans—Act to prevent 25
Professional Fund-raising Corporations—Act to control 22
Public Health Act—Act to amend 38
Public Hospitals Act—Act to amend 46
—Act to amend 47

S

Safety Committees—Act to provide for the Establishment of 15

INDEX

SECOND SESSION, THIRTIETH PARLIAMENT

PUBLIC BILLS (GOVERNMENT)

M Bill No.

Metropolitan Toronto Boards of Education and Teachers Disputes—Act respecting 1

R

Residential Premises Rent Review Act, 1975 2

INDEX

THIRD SESSION, THIRTIETH PARLIAMENT

PUBLIC BILLS (GOVERNMENT)

A — Bill No.

Anti-Inflation Act (Canada)—Act to ratify the entering into of an Agreement under the 127
Arbitrations Act—Act to amend 1
Assessment Act—Act to amend 133

B

Blind Persons—Act to provide for Certain Rights for 13
Business Corporations Act—Act to amend 137

C

Central Algoma Board of Education and Teachers Dispute—Act respecting 51
Child Welfare Act, 1965—Act to provide for the Continuance of Certain Payments between Municipalities under The 108
Children—Act to reform the Law respecting the Status of 191
City of Thunder Bay Act, 1968-69—Act to amend 106
Commodity Boards—Act respecting Members of 5
Consumer Products—Act to provide for Warranties in the Sale of 110
Coroners Act, 1972—Act to amend 132
Corporations Act—Act to amend 138
Corporations Information Act, 1976 136
Corporations Tax Act, 1972—Act to amend 45
—Act to amend 99
—Act to amend 168
County Judges Act—Act to amend 14
County of Oxford Act, 1974—Act to amend 153
Credit Unions and Caisses Populaires Act, 1976 97

D

Dead Animal Disposal Act—Act to amend 56
District Municipality of Muskoka Act—Act to amend 101
—Act to amend 151
Drainage Act, 1975—Act to amend 6

E

Education Act, 1974—Act to amend 87
Emergency Measures Act—Act to repeal 12

Bill No.

Employees' Health and Safety—Act respecting 139
Environmental Protection Act, 1971—Act to amend 81
Evidence Act—Act to amend 16

F

Family Relationships—Act to reform the Law respecting Property Rights and Support Obligations between Married Persons and in other 140
Farm Income Stabilization—Act respecting 96
—Act respecting 131
Funeral Services Act, 1976 171

G

Gift Tax Act, 1972—Act to amend 10
—Act to amend 134

H

Highway Traffic Act—Act to amend 25
Housing Development Act—Act to amend 64

I

Income Tax Act—Act to amend 11
—Act to amend 169
Insurance Act—Act to amend 155

J

Judicature Act—Act to amend 15
—Act to amend 190
Judicial Review Procedure Act, 1971—Act to amend 84

K

Kirkland Lake Board of Education and Teachers Dispute—Act respecting. 2

L

Labour Relations Act—Act to amend 176
Lake Superior Board of Education—Act respecting 122
Legislative Assembly Act—Act to amend 123
Live Stock Community Sales Act—Act to amend 90
Local Improvement Act—Act to amend 8

M

Marriage Act, 1976 141
Motor Vehicle Accident Claims Act—Act to amend 156

Bill No.

Municipal Act—Act to amend 89
—Act to amend 149
Municipal Conflict of Interest Act, 1972—Act to amend 100
Municipal Subsidies Adjustment Act—Act to repeal 102
Municipality of Metropolitan Toronto Act—Act to amend 54
—Act to amend 152
Municipality of Shuniah—Act respecting 154

N

New Homes—Act to provide certain Protections for Purchasers of 94
Niagara Escarpment Planning and Development Act, 1973—Act to amend 9

O

Ontario Energy Board Act—Act to amend 34
—Act to amend 109
Ontario Guaranteed Annual Income Act, 1974—Act to amend 47
Ontario Municipal Employees Retirement System Act—Act to amend 27

P

Personal Property Security Act—Act to amend 20
—Act to amend 76
Planning Act—Act to amend 62
—Act to amend 130
Provincial Parks Act—Act to amend 104
Public Authorities Protection Act—Act to amend 18
Public Commercial Vehicles Act—Act to amend 4
—Act to amend 39
Public Health Act—Act to amend 59
Public Transportation and Highway Improvement Act—Act to amend ... 82
Public Utilities Act—Act to amend 41

R

Raising of Money on the Credit of the Consolidated Revenue Fund—Act to authorize 43
Regional Municipalities Amendment Act, 1976 55
Regional Municipalities Amendment Act, 1976 150
Regional Municipality of Hamilton-Wentworth Act, 1973—Act to amend. 187
Representation Act, 1975—Act to amend 3
Residential Premises Rent Review Act, 1975 (2nd Session)—Act to amend 60
Retail Sales Tax Act—Act to amend 46
—Act to amend 170

S

Sault Ste. Marie Board of Education and Teachers Dispute—Act respecting 52
Succession Duty Act—Act to amend 26

Bill No.

Succession to the Estates of Deceased Persons—Act to reform the Law respecting 85
Supply Act, 1976 33
Supply Act, 1976 194
Surrogate Courts Act—Act to amend 17

T

Territorial Division Act—Act to amend 7
Thunder Bay Act, 1968-69, City of—Act to amend 78
Tobacco Tax Act—Act to amend 48
Township of North Plantagenet—Act respecting 105
Travel Industry Act, 1974—Act to amend 98

U

Unified Family Court—Act to establish 189

V

Venture Investment Corporations—Act respecting the Registration of 44
Vital Statistics Act—Act to amend 77

W

Windsor Board of Education and Teachers Dispute Act, 1976 75
Wine—Act to provide for the limited inclusion of Grapes grown outside Ontario in Ontario 135

PUBLIC BILLS (PRIVATE MEMBERS')

	Bill No.
A	
Abortions—Act to register the referring of	37
Advertising and Selling of Perishable Staples—Act respecting	159
Athletics Control Act—Act to amend	40
Automobile Insurance Rate Control Board—Act to establish	29
C	
Child Welfare Act—Act to amend	80
Chlorofluorocarbons in Aerosol Spray Cans—Act to ban the Use of	188
Condominium Act—Act to amend	57
—Act to amend	58
Condominium Property Management Firms—Act to register	166
Construction Safety Act, 1973—Act to amend	163
Consumer Information—Act respecting	186
Consumer Reporting Act, 1973—Act to amend	61
D	
Development Corporations Act, 1973—Act to amend	177
E	
Education Act, 1974—Act to amend	28
—Act to amend	192
Elderly Tenants—Act to provide Assistance to	53
Election Act—Act to amend	185
Election Finances Reform Act, 1975—Act to amend	42
—Act to amend	164
Election Public Opinion Polls and Surveys—Act respecting	165
Emergency Medical and First Aid Services—Act to relieve Persons from Liability in respect of voluntary	31
Employment Standards Act, 1974—Act to amend	71
—Act to amend	103
—Act to amend	125
F	
Family Benefits Act—Act to amend	83
Farm Products Grades and Sales Act—Act to amend	175
Fire Extinguishing Systems in Buildings—Act relating to the Installation of Automatic	24
Foodlands—Act to provide for the Designation and Retention of	162
Freedom of Information—Act to provide for	22
H	
Handcuffs—Act to prohibit the Sale of	93
Health Insurance Act, 1972—Act to amend	49
—Act to amend	86

Bill No.

Health and Safety Committees—Act respecting 146
Highway Traffic Act—Act to amend 70
—Act to amend 148
Hospital Labour Disputes Arbitration Act—Act to amend 142

I

Individualized Price Marking on Products—Act to provide for 63

L

Labour Ombudsman—Act to provide for the Appointment of 65
Labour Relations Act—Act to amend 30
—Act to amend 107
—Act to amend 111
—Act to amend 112
—Act to amend 113
—Act to amend 114
—Act to amend 115
—Act to amend 116
—Act to amend 117
—Act to amend 118
—Act to amend 119
—Act to amend 184
Legislative Assembly Act—Act to amend 72
Liquor Control Act, 1975—Act to amend 167

M

Medical Data Bank—Act to establish 36
Mental Health Act—Act to amend 88
Motor Vehicles Accident Claims Act—Act to amend 161
Municipal Act—Act to amend 35
Municipal Candidates—Act respecting 173
Municipal Elections Act, 1972—Act to amend 69
—Act to amend 183
Municipal Elections Finances Reform—Act respecting 172

O

Occupational Health Data—Act respecting the Collection of 144
Occupations—Act for the Promotion and Protection of the Health and Safety of Persons engaged in 92
Ontario Bill of Rights—Act to establish 67
Ontario Human Rights Code—Act to amend 23
—Act to amend 66
—Act to amend 79
Ontario Lottery Corporation Act, 1974—Act to amend 19
Ontario Waste Disposal and Reclamation Commission—Act to establish .. 160

P

Bill No.

Pension Benefits Act—Act to amend 181
Political Rights for Public Servants—Act to provide 129
Post Retirement Integration of Insurance Moneys and Pension Benefits Prevention Act, 1976 68
Power Corporation Act—Act to amend 91
Professional Fund-raising Corporations—Act to control 121
Public Health Act—Act to amend 38
Public Officers Act—Act to amend 124

R

Regional Municipality of Durham Act, 1973—Act to amend 95
Regional Municipality of Hamilton-Wentworth Act, 1973—Act to amend. 157
Regulation of Driver Training Schools—Act to provide for 74
Religious Institutions Act—Act to amend 50
Residential Premises Rent Review Act, 1975 (2nd Session)—Act to amend 193
Retail Business Holidays Act, 1975 (2nd Session)—Act to amend 120
Rights of Employees to Refuse to Perform Work that is Dangerous to their Health or Safety—Act respecting the Ensuring of 145

S

Safety Committees—Act to provide for the Establishment of 32
School Boards and Teachers Collective Negotiations Act, 1975—Act to amend 21
Simcoe Day—Act respecting 73
Smoking in Public Places—Act to provide for the Regulation of 126
Social Referral Services—Act respecting 179
Special Educational Programs—Act respecting 128

T

Toxic and Hazardous Substances—Act respecting 143

U

Uniform Time in the Province of Ontario—Act to provide for 158

W

Ward Boundaries—Act respecting the Establishment of 174
Worker-Inspectors in the Work Place—Act respecting the Establishment of 147
Workmen's Compensation Act—Act to amend 178
—Act to amend 180
—Act to amend 182

PRIVATE BILLS

B Bill No.

Bosanquet, Township of—Act respecting Pr25
Burlington, City of—Act respecting Pr12

C

Cambridge, City of—Act respecting Pr5

D

Dovercourt Baptist Foundation—Act respecting Pr21

F

Fort Erie, Town of—Act respecting Pr14
—Act respecting Pr15

H

Hamilton, City of—Act respecting Pr19
—Act respecting Pr26

I

Institute of Professional Librarians of Ontario—Act respecting Pr17

K

Kent County Roman Catholic Separate School Board—Act respecting Pr9

M

McMaster University—Act respecting Pr7
Mid-Erie Acceptance Corporation Limited—Act respecting Pr1

N

Napco Poultry Limited—Act respecting Pr11
Nepean, Township of—Act respecting Pr4
Niagara Falls, City of—Act respecting Pr18

O

Ottawa, City of—Act respecting Pr20

R

Rancheria Mining Company Limited—Act respecting Pr23

S Bill No.

Scarborough, Borough of—Act respecting Pr3
St. Andrew's Church, Ottawa—Act respecting Pr10

T

Toronto, City of—Act respecting Pr13

W

Welland Area Y.M.C.A.-Y.W.C.A.—Act respecting Pr22
Welland-Port Colborne Airport—Act respecting Pr6
West Carleton, Township of—Act respecting Pr24
Wicksteed, Township of—Act respecting Pr2
Windsor, City of—Act respecting Pr16

Y

York, Borough of—Act respecting Pr8

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Health Insurance Act, 1972

MR. LELUK

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

The purpose of the Bill is to provide insured persons with plastic cards to be used on visits to physicians, laboratories or hospitals, such that the person would receive at the time of the visit a receipt indicating the services performed and the amount to be billed to the Plan.

BILL 49 **1976**

An Act to amend The Health Insurance Act, 1972

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. *The Health Insurance Act, 1972*, being chapter 91, is amended by adding thereto the following section: s. 20*b*, enacted

20*b*.—(1) Every insured person shall be issued a plastic card by the General Manager in the form prescribed by the regulations. Plastic card to be issued

(2) Notwithstanding clause *b* of subsection 3 of section 20, every patient receiving insured services shall be given a copy, which shall be signed by the patient, produced in the manner prescribed in the regulations, of the account for insured services performed by a physician, laboratory or practitioner. Copy of account to be given to patient

2. Section 51 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 60, section 12, 1974, chapter 86, section 4 and 1975, chapter 52, section 9, is further amended by adding thereto the following clauses: s. 51, amended

(*u*) prescribing the form of plastic card to be issued to insured persons;

(*v*) prescribing the manner of producing copies of accounts for the purpose of subsection 2 of section 20*b*.

3. This Act comes into force on the day it receives Royal Assent. Commencement

4. This Act may be cited as *The Health Insurance Amendment Act, 1976*. Short title

An Act to amend
The Health Insurance Act, 1972

1st Reading

April 8th, 1976

2nd Reading

3rd Reading

MR. LELUK

(*Private Member's Bill*)

BILL 50 **Private Member's Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Religious Institutions Act

MR. LELUK

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

The purpose of the Bill is to expand the Act to include the various eastern religions set out in the Bill.

BILL 50 **1976**

An Act to amend The Religious Institutions Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. *The Religious Institutions Act*, being chapter 411 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following section: s. 22, enacted

22. All the rights and privileges conferred upon any religious society or congregation mentioned in section 1 extend to and apply to any society or congregation of, Rights extended to Hindus, Buddhists, Sikhs, and Moslems

(*a*) Hindus professing the Hindu religion;

(*b*) Buddhists professing the Buddhist religion;

(*c*) Sikhs professing the Sikh religion; and

(*d*) Moslems professing the Moslem religion.

2. This Act comes into force on the day it receives Royal Assent. Commencement

3. This Act may be cited as *The Religious Institutions Amendment Act, 1976*. Short title

An Act to amend
The Religious Institutions Act

1st Reading

April 9th, 1976

2nd Reading

3rd Reading

MR. LELUK

(*Private Member's Bill*)

BILL 51 **Government Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act respecting The Central Algoma Board of Education and Teachers Dispute

THE HON. T. L. WELLS
Minister of Education

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 51 **1976**

An Act respecting The Central Algoma Board of Education and Teachers Dispute

Preamble

WHEREAS The Central Algoma Board of Education and its secondary school teachers have been negotiating terms and conditions of employment; and whereas a strike by the secondary school teachers against the board of education has continued since the 16th day of February, 1976; and whereas the board of education and its secondary school teachers have been unable to make an agreement as to terms and conditions of employment; and whereas the Commission has advised the Lieutenant Governor in Council that, in the opinion of the Commission, the continuance of the strike will place in jeopardy the successful completion of courses of study by the students affected; and whereas the public interest, and in particular the interests of students, requires that the secondary school teachers return to and resume their duties and that means be found for the settlement of the matters in dispute between the board of education and its secondary school teachers;

Therefore, Her Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

Interpretation

1. In this Act,

(*a*) "board" means The Central Algoma Board of Education;

(*b*) "branch affiliate" means the organization composed of all the teachers employed by the board who are members of The Ontario Secondary School Teachers' Federation;

(*c*) "Commission" means the Education Relations Commission established under *The School Boards and Teachers Collective Negotiations Act, 1975*; 1975, c. 72

1975, c. 72

(*d*) "lock-out" has the same meaning as in *The School Boards and Teachers Collective Negotiations Act, 1975*;

(*e*) "parties" means the board and the branch affiliate;

(*f*) "selector" means the selector appointed under this Act;

(*g*) "strike" has the same meaning as in *The School Boards and Teachers Collective Negotiations Act, 1975*;

(*h*) "teachers" means the secondary school teachers employed on permanent or probationary contracts by the board.

Resumption of employment and operation of schools

2.—(1) The teachers who are on strike against the board shall, on the first school day after the day this Act comes into force, return to and resume their duties in accordance with their contracts of employment and written collective understandings in effect on the 31st day of August, 1975 with the board and the board shall, on the first school day after the day this Act comes into force, resume the employment of such teachers in accordance with such contracts and written collective understandings and resume the normal operation of the school in which the teachers are employed.

Strike or lock-out

(2) During the period from and including the first school day after the day this Act comes into force until the day an agreement that is made between the parties or that includes the decision of the selector comes into effect, no teacher shall take part in a strike against the board and the board shall not lock out a teacher.

Instructional days

(3) During the period from and including the first school day after the day this Act comes into force to and including the 30th day of June, 1976 and notwithstanding Ontario Regulation 546/73 but only in relation to the teachers to whom this Act applies, the days designated by the board as professional activity days pursuant to Ontario Regulation 546/73 shall not be professional activity days but shall be instructional days within the meaning of that regulation.

Exception

(4) Nothing in this Act precludes a teacher from not returning to and resuming his duties with the board for reasons of health or by mutual consent in writing of the teacher and the board.

Final offer selection

3.—(1) The parties shall be deemed to have agreed,

(*a*) to refer all matters remaining in dispute between them that may be provided for in an agreement under *The School Boards and Teachers Collective Negotiations Act, 1975* to a selector for determination under and in accordance with Part V of that Act; and 1975, c. 72

(*b*) to not withdraw from the proceedings.

Notice of appointment of selector

(2) The parties, within seven days after the day this Act comes into force, shall jointly give written notice to the Commission stating,

(*a*) the date of appointment and the name and address of the selector; or

(*b*) that the parties have not appointed the selector and that the parties request the Commission to appoint the selector.

Appointment of selector by Commission

(3) Where the parties fail to give a notice to the Commission in accordance with subsection 2 or where the parties request the Commission to appoint the selector, the Commission shall make the appointment and give notice of the appointment of the selector to the parties and the notice shall set out the name and address of the person appointed and the date of the appointment.

Application of 1975, c. 72

(4) Except as otherwise provided in this Act, *The School Boards and Teachers Collective Negotiations Act, 1975* applies to the selector, to the proceedings conducted before him, to the parties and to the teachers.

Term of agreement

4.—(1) Notwithstanding subsection 1 of section 51 of *The School Boards and Teachers Collective Negotiations Act, 1975*, the agreement giving effect to all matters agreed upon by the parties and the decision of the selector shall be for the period commencing on the 1st day of September, 1975 and expiring on the 31st day of August, 1976.

Reduction of time periods

(2) The Commission may, with the concurrence of the selector and the parties, reduce any period of time referred to in section 41, 42, 44, 45 or 48 of *The School Boards and Teachers Collective Negotiations Act, 1975*.

Offences

5.—(1) Every person or party that contravenes any provision of this Act is guilty of an offence.

Idem

(2) The provisions of *The School Boards and Teachers Collective Negotiations Act, 1975*, respecting offences and

penalties and the procedures relating thereto apply in respect of a contravention of any provision of this Act.

Commencement

6. This Act comes into force on the day it receives Royal Assent.

Short title

7. This Act may be cited as *The Central Algoma Board of Education and Teachers Dispute Act, 1976*.

An Act respecting
The Central Algoma Board of
Education and Teachers Dispute

1st Reading

April 9th, 1976

2nd Reading

3rd Reading

THE HON. T. L. WELLS
Minister of Education

(*Government Bill*)

BILL 51 **Government Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act respecting The Central Algoma Board of Education and Teachers Dispute

THE HON. T. L. WELLS
Minister of Education

(Reprinted as amended by the Committee of the Whole House)

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 51 **1976**

An Act respecting The Central Algoma Board of Education and Teachers Dispute

WHEREAS The Central Algoma Board of Education and its secondary school teachers have been negotiating terms and conditions of employment; and whereas a strike by the secondary school teachers against the board of education began on the 16th day of February, 1976 and was terminated by the teachers on the 12th day of April, 1976; and whereas the board of education and its secondary school teachers have been unable to make an agreement as to terms and conditions of employment; and whereas the public interest requires that means be found for the settlement of the matters in dispute between the board of education and its secondary school teachers; Preamble

Therefore, Her Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act, Interpretation

(*a*) "board" means The Central Algoma Board of Education;

(*b*) "branch affiliate" means the organization composed of all the teachers employed by the board who are members of The Ontario Secondary School Teachers' Federation;

(*c*) "Commission" means the Education Relations Commission established under *The School Boards and Teachers Collective Negotiations Act, 1975*; 1975, c. 72

(*d*) "lock-out" has the same meaning as in *The School Boards and Teachers Collective Negotiations Act, 1975*;

(*e*) "parties" means the board and the branch affiliate;

(*f*) "selector" means the selector appointed under this Act;

1975, c. 72

(*g*) "strike" has the same meaning as in *The School Boards and Teachers Collective Negotiations Act, 1975*;

(*h*) "teachers" means the secondary school teachers employed on permanent or probationary contracts by the board.

Instructional days

2. During the period from and including the first school day after the day this Act comes into force to and including the 30th day of June, 1976 and notwithstanding Ontario Regulation 546/73 but only in relation to the teachers to whom this Act applies, the days designated by the board as professional activity days pursuant to Ontario Regulation 546/73 shall not be professional activity days but shall be instructional days within the meaning of that regulation.

Final offer selection

3.—(1) The parties shall be deemed to have agreed,

(*a*) to refer all matters remaining in dispute between them that may be provided for in an agreement under *The School Boards and Teachers Collective Negotiations Act, 1975* to a selector for determination under and in accordance with Part V of that Act; and

(*b*) to not withdraw from the proceedings.

Notice of appointment of selector

(2) The parties, within seven days after the day this Act comes into force, shall jointly give written notice to the Commission stating,

(*a*) the date of appointment and the name and address of the selector; or

(*b*) that the parties have not appointed the selector and that the parties request the Commission to appoint the selector.

Appointment of selector by Commission

(3) Where the parties fail to give a notice to the Commission in accordance with subsection 2 or where the parties request the Commission to appoint the selector, the Commission shall make the appointment and give notice of the appointment of the selector to the parties and the notice shall set out the name and address of the person appointed and the date of the appointment.

(4) Except as otherwise provided in this Act, *The School Boards and Teachers Collective Negotiations Act, 1975* applies to the selector, to the proceedings conducted before him, to the parties and to the teachers. Application of 1975, c. 72

4.—(1) Notwithstanding subsection 1 of section 51 of *The School Boards and Teachers Collective Negotiations Act, 1975*, the agreement giving effect to all matters agreed upon by the parties and the decision of the selector shall be for the period commencing on the 1st day of September, 1975 and expiring on the 31st day of August, 1976. Term of agreement

(2) The Commission may, with the concurrence of the selector and the parties, reduce any period of time referred to in section 41, 42, 44, 45 or 48 of *The School Boards and Teachers Collective Negotiations Act, 1975*. Reduction of time periods

5.—(1) Every person or party that contravenes any provision of this Act is guilty of an offence. Offences

(2) The provisions of *The School Boards and Teachers Collective Negotiations Act, 1975*, respecting offences and penalties and the procedures relating thereto apply in respect of a contravention of any provision of this Act. Idem

6. This Act comes into force on the day it receives Royal Assent. Commencement

7. This Act may be cited as *The Central Algoma Board of Education and Teachers Dispute Act, 1976*. Short title

An Act respecting
The Central Algoma Board of
Education and Teachers Dispute

1st Reading

April 9th, 1976

2nd Reading

April 13th, 1976

3rd Reading

THE HON. T. L. WELLS
Minister of Education

(*Reprinted as amended by the Committee of the Whole House*)

BILL 51

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act respecting The Central Algoma Board of Education and Teachers Dispute

THE HON. T. L. WELLS
Minister of Education

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 51 **1976**

An Act respecting The Central Algoma Board of Education and Teachers Dispute

Preamble

WHEREAS The Central Algoma Board of Education and its secondary school teachers have been negotiating terms and conditions of employment; and whereas a strike by the secondary school teachers against the board of education began on the 16th day of February, 1976 and was terminated by the teachers on the 12th day of April, 1976; and whereas the board of education and its secondary school teachers have been unable to make an agreement as to terms and conditions of employment; and whereas the public interest requires that means be found for the settlement of the matters in dispute between the board of education and its secondary school teachers;

Therefore, Her Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

Interpretation

1. In this Act,

(*a*) "board" means The Central Algoma Board of Education;

(*b*) "branch affiliate" means the organization composed of all the teachers employed by the board who are members of The Ontario Secondary School Teachers' Federation;

(*c*) "Commission" means the Education Relations Commission established under *The School Boards and Teachers Collective Negotiations Act, 1975*; 1975, c. 72

(*d*) "lock-out" has the same meaning as in *The School Boards and Teachers Collective Negotiations Act, 1975*;

(*e*) "parties" means the board and the branch affiliate;

(*f*) "selector" means the selector appointed under this Act;

1975, c. 72

(*g*) "strike" has the same meaning as in *The School Boards and Teachers Collective Negotiations Act, 1975*;

(*h*) "teachers" means the secondary school teachers employed on permanent or probationary contracts by the board.

Instructional days

2. During the period from and including the first school day after the day this Act comes into force to and including the 30th day of June, 1976 and notwithstanding Ontario Regulation 546/73 but only in relation to the teachers to whom this Act applies, the days designated by the board as professional activity days pursuant to Ontario Regulation 546/73 shall not be professional activity days but shall be instructional days within the meaning of that regulation.

Final offer selection

3.—(1) The parties shall be deemed to have agreed,

(*a*) to refer all matters remaining in dispute between them that may be provided for in an agreement under *The School Boards and Teachers Collective Negotiations Act, 1975* to a selector for determination under and in accordance with Part V of that Act; and

(*b*) to not withdraw from the proceedings.

Notice of appointment of selector

(2) The parties, within seven days after the day this Act comes into force, shall jointly give written notice to the Commission stating,

(*a*) the date of appointment and the name and address of the selector; or

(*b*) that the parties have not appointed the selector and that the parties request the Commission to appoint the selector.

Appointment of selector by Commission

(3) Where the parties fail to give a notice to the Commission in accordance with subsection 2 or where the parties request the Commission to appoint the selector, the Commission shall make the appointment and give notice of the appointment of the selector to the parties and the notice shall set out the name and address of the person appointed and the date of the appointment.

(4) Except as otherwise provided in this Act, *The School Boards and Teachers Collective Negotiations Act, 1975* applies to the selector, to the proceedings conducted before him, to the parties and to the teachers. Application of 1975, c. 72

4.—(1) Notwithstanding subsection 1 of section 51 of *The School Boards and Teachers Collective Negotiations Act, 1975*, the agreement giving effect to all matters agreed upon by the parties and the decision of the selector shall be for the period commencing on the 1st day of September, 1975 and expiring on the 31st day of August, 1976. Term of agreement

(2) The Commission may, with the concurrence of the selector and the parties, reduce any period of time referred to in section 41, 42, 44, 45 or 48 of *The School Boards and Teachers Collective Negotiations Act, 1975*. Reduction of time periods

5.—(1) Every person or party that contravenes any provision of this Act is guilty of an offence. Offences

(2) The provisions of *The School Boards and Teachers Collective Negotiations Act, 1975*, respecting offences and penalties and the procedures relating thereto apply in respect of a contravention of any provision of this Act. Idem

6. This Act comes into force on the day it receives Royal Assent. Commencement

7. This Act may be cited as *The Central Algoma Board of Education and Teachers Dispute Act, 1976*. Short title

An Act respecting
The Central Algoma Board of
Education and Teachers Dispute

1st Reading

April 9th, 1976

2nd Reading

April 13th, 1976

3rd Reading

April 13th, 1976

THE HON. T. L. WELLS
Minister of Education

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act respecting The Sault Ste. Marie Board of Education and Teachers Dispute

THE HON. T. L. WELLS
Minister of Education

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 52 **1976**

An Act respecting The Sault Ste. Marie Board of Education and Teachers Dispute

Preamble

WHEREAS The Sault Ste. Marie Board of Education and its secondary school teachers have been negotiating terms and conditions of employment; and whereas a state of strike by the secondary school teachers against the board of education has been in effect since the 5th day of February, 1976; and whereas the board of education and its secondary school teachers have been unable to make an agreement as to terms and conditions of employment; and whereas the public interest, and in particular the interests of students, requires that the secondary school teachers return to and resume their duties and that means be found for the settlement of the matters in dispute between the board of education and its secondary school teachers;

Therefore, Her Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

Interpretation

1. In this Act,

(*a*) "arbitrator" means the arbitrator appointed under this Act;

(*b*) "board" means The Sault Ste. Marie Board of Education;

(*c*) "branch affiliate" means the organization composed of all the teachers employed by the board who are members of The Ontario Secondary School Teachers' Federation;

(*d*) "Commission" means the Education Relations Commission established under *The School Boards and Teachers Collective Negotiations Act, 1975*; 1975, c. 72

(*e*) "lock-out" has the same meaning as in *The School Boards and Teachers Collective Negotiations Act, 1975*;

(*f*) "parties" means the board and the branch affiliate;

1975, c. 72

(*g*) "strike" has the same meaning as in *The School Boards and Teachers Collective Negotiations Act, 1975*;

(*h*) "teachers" means the secondary school teachers employed on permanent or probationary contracts by the board.

Resumption of employment and operation of schools

2.—(1) The teachers who are on strike against the board shall, on the first Tuesday following the day this Act comes into force, return to and resume their duties in accordance with their contracts of employment and written collective understandings in effect on the 31st day of August, 1975 with the board and the board shall, on the first Tuesday following the day this Act comes into force, resume the employment of such teachers in accordance with such contracts and written collective understandings and resume the normal operation of the schools in which the teachers are employed.

Strike or lock-out

(2) During the period from and including the first Tuesday following the day this Act comes into force until the day an agreement that is made between the parties or that includes the decision of the arbitrator comes into effect, no teacher shall take part in a strike against the board and the board shall not lock out a teacher.

Exception

(3) Nothing in this Act precludes a teacher from not returning to and resuming his duties with the board for reasons of health or by mutual consent in writing of the teacher and the board.

Arbitration

3.—(1) The parties shall be deemed to have agreed to refer all matters remaining in dispute between them that may be provided for in an agreement under *The School Boards and Teachers Collective Negotiations Act, 1975* to an arbitrator for determination under and in accordance with Part IV of that Act.

Appointment of arbitrator

(2) The Lieutenant Governor in Council shall forthwith after this Act comes into force appoint the arbitrator referred to in subsection 1.

Notices of matters remaining in dispute

(3) The parties shall each give written notice to the arbitrator within seven days after the day this Act comes into force setting out all the matters the parties have agreed upon for inclusion in an agreement and all the matters remaining in dispute between the parties, and the notice

shall be deemed to be notice to the Commission in accordance with subsection 1 of section 29 of *The School Boards and Teachers Collective Negotiations Act, 1975*. 1975, c. 72

(4) The arbitrator upon receipt of a notice shall examine into and decide all matters that are in dispute between the parties as evidenced by the notices referred to in subsection 3 and any other matters that appear to him to be necessary to be decided in order to make a decision. Procedure

(5) Except as otherwise provided in this Act, *The School Boards and Teachers Collective Negotiations Act, 1975* applies to the arbitrator, to the proceedings conducted before him, to the parties and to the teachers. Application of 1975, c. 72

4.—(1) Notwithstanding subsection 1 of section 51 of *The School Boards and Teachers Collective Negotiations Act, 1975*, the agreement giving effect to all matters agreed upon by the parties and the decision of the arbitrator shall be for the period commencing on the 1st day of September, 1975 and expiring on the 31st day of August, 1977. Term of agreement

(2) Notwithstanding subsection 1 of section 36 of *The School Boards and Teachers Collective Negotiations Act, 1975*, the arbitrator shall complete the consideration of all matters in dispute between the parties and shall report in writing his decision on the matters to the parties and to the Commission within thirty days after his appointment as arbitrator or within such longer period of time as may be provided in writing by the arbitrator and consented to by the Commission. Time for report of arbitrator

5.—(1) Every person, party or board of education that contravenes any provision of this Act is guilty of an offence. Offences

(2) The provisions of *The School Boards and Teachers Collective Negotiations Act, 1975*, respecting offences and penalties and the procedures relating thereto apply in respect of a contravention of any provision of this Act. Idem

6. This Act comes into force on the day it receives Royal Assent. Commencement

7. This Act may be cited as *The Sault Ste. Marie Board of Education and Teachers Dispute Act, 1976*. Short title

An Act respecting The Sault Ste. Marie Board of Education and Teachers Dispute

1st Reading

April 13th, 1976

2nd Reading

3rd Reading

THE HON. T. L. WELLS
Minister of Education

(*Government Bill*)

BILL 52

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act respecting The Sault Ste. Marie Board of Education and Teachers Dispute

THE HON. T. L. WELLS
Minister of Education

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 52 **1976**

An Act respecting The Sault Ste. Marie Board of Education and Teachers Dispute

Preamble

WHEREAS The Sault Ste. Marie Board of Education and its secondary school teachers have been negotiating terms and conditions of employment; and whereas a state of strike by the secondary school teachers against the board of education has been in effect since the 5th day of February, 1976; and whereas the board of education and its secondary school teachers have been unable to make an agreement as to terms and conditions of employment; and whereas the public interest, and in particular the interests of students, requires that the secondary school teachers return to and resume their duties and that means be found for the settlement of the matters in dispute between the board of education and its secondary school teachers;

Therefore, Her Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

Interpretation

1. In this Act,

(*a*) "arbitrator" means the arbitrator appointed under this Act;

(*b*) "board" means The Sault Ste. Marie Board of Education;

(*c*) "branch affiliate" means the organization composed of all the teachers employed by the board who are members of The Ontario Secondary School Teachers' Federation;

(*d*) "Commission" means the Education Relations Commission established under *The School Boards and Teachers Collective Negotiations Act, 1975*; 1975, c. 72

(*e*) "lock-out" has the same meaning as in *The School Boards and Teachers Collective Negotiations Act, 1975*;

(*f*) "parties" means the board and the branch affiliate;

1975, c. 72

(*g*) "strike" has the same meaning as in *The School Boards and Teachers Collective Negotiations Act, 1975*;

(*h*) "teachers" means the secondary school teachers employed on permanent or probationary contracts by the board.

Resumption of employment and operation of schools

2.—(1) The teachers who are on strike against the board shall, on the first Tuesday following the day this Act comes into force, return to and resume their duties in accordance with their contracts of employment and written collective understandings in effect on the 31st day of August, 1975 with the board and the board shall, on the first Tuesday following the day this Act comes into force, resume the employment of such teachers in accordance with such contracts and written collective understandings and resume the normal operation of the schools in which the teachers are employed.

Strike or lock-out

(2) During the period from and including the first Tuesday following the day this Act comes into force until the day an agreement that is made between the parties or that includes the decision of the arbitrator comes into effect, no teacher shall take part in a strike against the board and the board shall not lock out a teacher.

Exception

(3) Nothing in this Act precludes a teacher from not returning to and resuming his duties with the board for reasons of health or by mutual consent in writing of the teacher and the board.

Arbitration

3.—(1) The parties shall be deemed to have agreed to refer all matters remaining in dispute between them that may be provided for in an agreement under *The School Boards and Teachers Collective Negotiations Act, 1975* to an arbitrator for determination under and in accordance with Part IV of that Act.

Appointment of arbitrator

(2) The Lieutenant Governor in Council shall forthwith after this Act comes into force appoint the arbitrator referred to in subsection 1.

Notices of matters remaining in dispute

(3) The parties shall each give written notice to the arbitrator within seven days after the day this Act comes into force setting out all the matters the parties have agreed upon for inclusion in an agreement and all the matters remaining in dispute between the parties, and the notice

shall be deemed to be notice to the Commission in accordance with subsection 1 of section 29 of *The School Boards and Teachers Collective Negotiations Act, 1975*. 1975, c. 72

(4) The arbitrator upon receipt of a notice shall examine into and decide all matters that are in dispute between the parties as evidenced by the notices referred to in subsection 3 and any other matters that appear to him to be necessary to be decided in order to make a decision. Procedure

(5) Except as otherwise provided in this Act, *The School Boards and Teachers Collective Negotiations Act, 1975* applies to the arbitrator, to the proceedings conducted before him, to the parties and to the teachers. Application of 1975, c. 72

4.—(1) Notwithstanding subsection 1 of section 51 of *The School Boards and Teachers Collective Negotiations Act, 1975*, the agreement giving effect to all matters agreed upon by the parties and the decision of the arbitrator shall be for the period commencing on the 1st day of September, 1975 and expiring on the 31st day of August, 1977. Term of agreement

(2) Notwithstanding subsection 1 of section 36 of *The School Boards and Teachers Collective Negotiations Act, 1975*, the arbitrator shall complete the consideration of all matters in dispute between the parties and shall report in writing his decision on the matters to the parties and to the Commission within thirty days after his appointment as arbitrator or within such longer period of time as may be provided in writing by the arbitrator and consented to by the Commission. Time for report of arbitrator

5.—(1) Every person, party or board of education that contravenes any provision of this Act is guilty of an offence. Offences

(2) The provisions of *The School Boards and Teachers Collective Negotiations Act, 1975*, respecting offences and penalties and the procedures relating thereto apply in respect of a contravention of any provision of this Act. Idem

6. This Act comes into force on the day it receives Royal Assent. Commencement

7. This Act may be cited as *The Sault Ste. Marie Board of Education and Teachers Dispute Act, 1976*. Short title

BILL 52

An Act respecting The Sault Ste. Marie Board of Education and Teachers Dispute

1st Reading

April 13th, 1976

2nd Reading

April 14th, 1976

3rd Reading

April 14th, 1976

THE HON. T. L. WELLS
Minister of Education

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to provide Assistance to Elderly Tenants

MR. RENWICK

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The Bill would permit any municipality to make payments to tenants of residential real property on the same terms and conditions as if such tenants were owners of real property entitled to uniform credit against real property taxes under *The Municipal Elderly Resident's Assistance Act, 1973*.

BILL 53 **1976**

An Act to provide Assistance to Elderly Tenants

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

Interpretation R.S.O. 1970, c. 236

1. In this Act, "tenant" means a tenant within the meaning of *The Landlord and Tenant Act*.

By-laws authorizing payments to tenants R.S.O. 1970, c. 32 1973, c. 154

2. Notwithstanding any general or special Act, the council of a municipality may pass by-laws authorizing and directing the treasurer of the municipality to make payments to tenants of residential real property that is separately assessed under *The Assessment Act* in the municipality of a uniform amount to be determined by the council of the municipality in like manner and upon the same terms and conditions as if such tenant were an owner of real property entitled to a uniform credit against real property taxes under *The Municipal Elderly Resident's Assistance Act, 1973*.

Commencement

3. This Act comes into force on the day it receives Royal Assent.

Short title

4. This Act may be cited as *The Municipal Elderly Tenants Assistance Act, 1976*.

An Act to provide Assistance to Elderly Tenants

1st Reading

April 13th, 1976

2nd Reading

3rd Reading

MR. RENWICK

(*Private Member's Bill*)

1976

BILL 54 **Government Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Municipality of Metropolitan Toronto Act

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and Minister of Economics and Intergovernmental Affairs

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTES

SECTION 1. Subsection 4 of section 10 presently reads as follows:

(4) *When a vacancy occurs in the office of a member other than the chairman or a member who held office by reason of being a mayor, the council of the area municipality, of which he was a member, shall within fifteen days after the vacancy occurs appoint his successor to hold office for the remainder of the term of his predecessor, provided that, if he held office by reason of being a controller, another controller shall be appointed or, if he held office under subsection 2 of section 5 by reason of being an alderman, another alderman shall be appointed or, if he held office under subsection 3 of section 5 by reason of being an alderman for a ward, another alderman for such ward shall be appointed.*

The effect of the amendment is to enlarge from 15 to 60 days the period of time within which the council of the appropriate area municipality must appoint a successor in the event of a vacancy occurring on the Metropolitan Council.

SECTION 2. Subsection 3 of section 22 presently reads as follows:

(3) *No person shall be appointed as an auditor of the Metropolitan Corporation who is or during the preceding year was a member of the Metropolitan Council or of the council of an area municipality or of any local board the accounts and transactions of which it would as auditor be his duty to audit, or who has or during the preceding year had any direct or indirect interest in any contract with the Metropolitan Corporation or an area municipality or any such local board, or any employment with any of them other than as an auditor.*

The effect of the amendment is to permit a person to act as auditor of the Metropolitan Corporation despite having rendered *any* professional services, in the preceding year to Metro, an area municipality or a local board thereof.

SECTION 3. Subsection 6 of section 29 presently reads as follows:

(6) *If the Metropolitan Corporation fails to make any payment as required by clause b of subsection 5, the area municipality may charge the Metropolitan Corporation interest at the rate of one-half of 1 per cent for each month or fraction thereof that the payment is overdue.*

The re-enactment will permit an area municipality to charge Metro an interest rate of up to 12 per cent per annum if payment is late on amounts owing to it by Metro in connection with waterworks assumed by Metro that were formerly vested in the area municipality.

SECTION 4. This amendment to the Act is similar in principle to section 3 of the Bill; it relates to the assumption of sewage treatment works by the Metropolitan Corporation.

SECTION 5. The re-enactment will permit an area municipality to charge Metro an interest rate of up to 12 per cent per annum if payment is late on amounts owing to it by Metro; it relates to the assumption of lands and equipment by the Metropolitan Corporation for waste disposal. (See note to section 3)

BILL 54 **1976**

An Act to amend The Municipality of Metropolitan Toronto Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 4 of section 10 of *The Municipality of Metropolitan Toronto Act*, being chapter 295 of the Revised Statutes of Ontario, 1970, is amended by striking out "fifteen" in the fourth line and inserting in lieu thereof "sixty". s. 10 (4), amended

2. Subsection 3 of section 22 of the said Act is amended by striking out "as an auditor" in the ninth line and inserting in lieu thereof "for services within his professional capacity". s. 22 (3), amended

3. Subsection 6 of section 29 of the said Act is repealed and the following substituted therefor: s. 29 (6), re-enacted

(6) If the Metropolitan Corporation fails to make any payment as required by clause *b* of subsection 5, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made. Default

4. Subsection 6 of section 52 of the said Act is repealed and the following substituted therefor: s. 52 (6), re-enacted

(6) If the Metropolitan Corporation fails to make any payment as required by clause *b* of subsection 5, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made. Default

5. Subsection 10 of section 65 of the said Act is repealed and the following substituted therefor: s. 65 (10), re-enacted

Default

(10) If the Metropolitan Corporation fails to make any payment as required by clause *b* of subsection 9, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made.

s. 79*a*, re-enacted

6. Section 79*a* of the said Act, as enacted by the Statutes of Ontario, 1972, chapter 89, section 2, is repealed and the following substituted therefor:

Reserved lanes for public transit motor vehicles, etc.

79*a*. The Metropolitan Council may by by-law designate any lane on a metropolitan road as solely or principally for use by public transit motor vehicles, taxicabs and private motor vehicles carrying such number of passengers as may be specified in the by-law and prohibit and regulate the use thereof by all other vehicles to such extent and for such period or periods as may be specified and for the purposes of this section, "public transit motor vehicle" means a motor vehicle owned and operated by the Toronto Transit Commission as part of its regular passenger transportation service.

s. 84, re-enacted

7. Section 84 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 171, section 1, is repealed and the following substituted therefor:

Use of sidewalks, etc., metropolitan roads

84. The Metropolitan Council may by by-law empower the council of any area municipality to lease or license the use of sidewalks and untravelled portions of metropolitan roads within the area municipality for such purposes as the council of the area municipality may by lease or licence permit.

s. 90, re-enacted

8. Section 90 of the said Act is repealed and the following substituted therefor:

Control of development

90.—(1) The Metropolitan Council has, with respect to all land lying within a distance of 150 feet from any limit of a metropolitan road, all the powers conferred on the council of a local municipality by sections 35, 35*a* and 35*b* of *The Planning Act*.

R.S.O. 1970, c. 349

Conflict with local by-laws

(2) In the event of conflict between a by-law passed under subsection 1 by the Metropolitan Council and a by-law passed under section 35 of *The Planning Act* or a predecessor of such section or under section 35*b* of the said Act by the council of the area municipality in which the land is situate, the by-law passed by the Metropolitan Council prevails to the extent of such conflict, but in all

SECTION 6. Section 79*a* of the Act presently reads as follows:

79a. The Metropolitan Council may by by-law designate any lane on a metropolitan road as solely or principally for use by public transit motor vehicles and prohibit the use thereof by vehicles other than public transit motor vehicles to such extent and for such period or periods as may be specified, and for the purpose of this section "public transit motor vehicle" means a motor vehicle owned and operated by the Toronto Transit Commission as part of its regular passenger transportation service.

The effect of the re-enactment is to add "taxi cabs and private motor vehicles carrying such number of passengers as may be specified in the by-law" to the classes of vehicles that may use the designated lane on metropolitan roads.

SECTION 7. Section 84 presently reads as follows:

84. The Metropolitan Council may by by-law empower the council of any area municipality to lease or license the use of untravelled portions of metropolitan roads within the area municipality to the owners or occupants of adjoining property that is lawfully used for commercial or industrial purposes to be used for such purposes as the council of the area municipality may by lease or licence permit.

The restriction embodied in the words underlined is removed in the re-enactment; the authority to license is extended to sidewalks on metropolitan roads.

SECTION 8. Section 90 of the Act presently reads as follows:

90.—(1) The Metropolitan Council has, with respect to all land lying within a distance of 150 feet from any limit of a metropolitan road, all the powers conferred on the council of a local municipality by section 35 of The Planning Act.

(2) In the event of conflict between a by-law passed under subsection 1 by the Metropolitan Council and a by-law passed under section 35 of The Planning Act or a predecessor of such section by the council of the area municipality in which the land is situate, the by-law passed by the Metropolitan Council prevails to the extent of such conflict, but in all other respects the by-law passed by the council of the area municipality remains in full force and effect.

The re-enactment confers on the Metropolitan Council, in addition to the power it now has to pass zoning by-laws under section 35 of *The Planning Act*, the power to pass by-laws under sections 35*a* and 35*b* of that Act. Those sections permit development control by-laws and the requirement of land for park purposes respectively. In all three cases the authority of the Metropolitan Council is confined to land lying within 150 feet from any limit of a metropolitan road.

SECTION 9. The amendment is similar in intent to section 3 of the Bill relating to interest charges on late payments and has reference to roads assumed as metropolitan roads by the Metropolitan Corporation.

SECTION 10. The section added provides for an area municipality assuming the outstanding debenture debt in respect of a metropolitan road that is transferred back to the local municipality; its provisions are the converse of those that apply when a road is assumed as a metropolitan road by the Metropolitan Corporation.

other respects the by-law passed by the council of the area municipality remains in full force and effect.

9. Subsection 3 of section 95 of the said Act is repealed and the following substituted therefor: s. 95 (3), re-enacted

(3) If the Metropolitan Corporation fails to make any payment as required by clause *b* of subsection 1, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made. Default

10. The said Act is amended by adding thereto the following section: s. 95*a*, enacted

95*a*.—(1) Where a road or part thereof is removed from the metropolitan road system and is transferred to the local municipality in which it is situate pursuant to subsection 7 of section 68, Liability when road transferred to local municipality

(*a*) no compensation or damages shall be payable to the Metropolitan Corporation;

(*b*) the area municipality thereafter shall pay to the Metropolitan Corporation on or before the due date all amounts of principal and interest becoming due upon any outstanding debentures issued by the Metropolitan Corporation in respect of such road or part;

(*c*) the Metropolitan Corporation shall no longer pay to the area municipality the amounts of principal and interest becoming due upon any outstanding debentures issued by the area municipality in respect of such road or part prior to the assumption of such road by the Metropolitan Corporation.

(2) If the area municipality fails to make any payments as required by clause *b* of subsection 1, the Metropolitan Corporation may charge the area municipality interest at the rate of 12 per cent *per annum* or such lower rate as the Metropolitan Council determines from the due date until payment is made. Default

(3) In the event of any doubts as to whether any outstanding debenture was issued in respect of the road referred to in subsection 1, the Municipal Board, upon application, may determine the matter and its decision is final. Settling of doubts

s. 112 (3), re-enacted

11. Subsection 3 of section 112 of the said Act is repealed and the following substituted therefor:

Default

(3) If the Metropolitan Corporation fails to make any payment as required by subsection 1, or if the Commission fails to make any payment as required by subsection 2, the area municipality may charge the Metropolitan Corporation, or the Metropolitan Corporation may charge the Commission, as the case may be, interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality or the Metropolitan Council determines, from the date payment is due until it is made.

s. 133 (2), re-enacted

12. Subsection 2 of section 133 of the said Act is repealed and the following substituted therefor:

Default

(2) If the Metropolitan Corporation fails to make any payments as required by subsection 1, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made.

s. 147 (5), re-enacted

13. Subsection 5 of section 147 of the said Act is repealed and the following substituted therefor:

Default

(5) If the Metropolitan Corporation fails to make any payment as required by clause *b* of subsection 4, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made.

s. 150 (6), re-enacted

14. Subsection 6 of section 150 of the said Act is repealed and the following substituted therefor:

Default

(6) If the Metropolitan Corporation fails to make any payment as required by clause *b* of subsection 5, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made.

s. 160 (3), re-enacted

15.—(1) Subsection 3 of section 160 of the said Act is repealed and the following substituted therefor:

Default

(3) If the Metropolitan Corporation fails to make any payment as required by subsection 2, the City may charge the Metropolitan Corporation interest at the rate of 12 per cent

SECTION 11. The amendment is similar in intent to section 3 of the Bill relating to interest charges on late payments and relates to land and assets assumed by the Toronto Transit Commission.

SECTION 12. The amendment is similar in intent to section 3 of the Bill relating to interest charges on late payments and relates to the assumption by the Metropolitan Corporation of liability for outstanding debentures issued for school purposes.

SECTION 13. The amendment is similar in intent to section 3 of the Bill relating to interest charges on late payments and relates to land and property used for public library purposes that is assumed by the Metropolitan Corporation.

SECTION 14. The amendment is similar in intent to section 3 of the Bill relating to interest charges on late payments and relates to land and property used for public welfare purposes that is assumed by the Metropolitan Corporation.

SECTION 15.—Subsection 1. The amendment is similar in intent to section 3 of the Bill relating to interest charges on late payments and relates to the home for the aged established by the City of Toronto that is vested in the Metropolitan Corporation.

Subsection 2. Subsection 5 of section 160 reads as follows:

(5) *If the Minister of Community and Social Services certifies that Lambert Lodge in the City of Toronto is no longer required by the Metropolitan Corporation for use as a home for the aged, the Metropolitan Corporation shall thereupon transfer that portion of the real property known as Lambert Lodge that was used for the purposes of a home for the aged and was vested in the Metropolitan Corporation by subsection 1 to The Corporation of the City of Toronto, and no compensation or damages shall be payable to the Metropolitan Corporation in respect thereof.*

SECTION 16. The amendment is similar in intent to section 3 of the Bill relating to interest charges on late payments and relates to land and property used for police purposes that is assumed by the Metropolitan Corporation.

SECTION 17. The amendment is similar in intent to section 3 of the Bill relating to interest charges on late payments and relates to land and property used for public parks, recreation areas, etc., that is assumed by the Metropolitan Corporation.

SECTION 18. Subclauses iii and iv of clause *a* of subsection 2 of section 212 presently read as follows:

> (*iii*) *term deposits, deposit receipts, deposit notes, certificates of deposit, acceptances and other similar instruments issued, accepted or endorsed by any chartered bank to which the Bank Act (Canada) applies,*
>
> (*iv*) *loans by way of promissory notes of the borrower to any municipality, or to any local board as defined in The Municipal Affairs Act;*

They set out types of security in which the Metropolitan Corporation, or any area municipality, may invest moneys not immediately required. The re-enactment of subclause iii adds instruments of the type mentioned that are guaranteed by a bank as an authorized investment. The re-enactment of subclause iv clarifies and expands the types of promissory notes that may be invested in.

SECTION 19. Subsection 1 of section 215 presently reads as follows:

> (*1*) *Notwithstanding section 214, the Metropolitan Council may, in any year before the adoption of the estimates for that year, levy against each of the area municipalities a sum not exceeding 50 per cent of the levy made by the Metropolitan Council in the preceding year against that area municipality or against the former area municipalities included within that area municipality, and subsections 14 and 15 of section 214 apply to such a levy.*

The effect of the re-enactment is to increase from 50 per cent to 75 per cent the portion of the preceding year's levy that the Metropolitan Council may levy in any year against the area municipalities before the estimates for that year are adopted.

per annum or such lower rate as the council of the City determines, from the date payment is due until it is made.

(2) Subsection 5 of the said section 160 is repealed. s. 160 (5), repealed

16. Subsection 6 of section 182 of the said Act is repealed and the following substituted therefor: s. 182 (6), re-enacted

(6) If the Metropolitan Corporation fails to make any payment as required by clause *b* of subsection 5, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made. Default

17. Subsection 3 of section 206 of the said Act is repealed and the following substituted therefor: s. 206 (3), re-enacted

(3) If the Metropolitan Corporation fails to make any payment as required by clause *b* of subsection 2, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made. Default

18. Subclauses iii and iv of clause *a* of subsection 2 of section 212 of the said Act, as re-enacted by the Statutes of Ontario, 1974, chapter 42, section 13, are repealed and the following substituted therefor: s. 212 (2) (*a*) (iii, iv), re-enacted

(iii) term deposits, deposit receipts, deposit notes, certificates of deposit, acceptances and other similar instruments issued, accepted, guaranteed or endorsed by a chartered bank to which the *Bank Act* (Canada) applies, R.S.C. 1970, c. B-1

(iv) promissory notes of a metropolitan, regional or district municipality or of a municipality as defined in *The Municipal Affairs Act*, or of a conservation authority established under *The Conservation Authorities Act*; or R.S.O. 1970, cc. 118,78

. . . . .

19. Subsection 1 of section 215 of the said Act is repealed and the following substituted therefor: s. 215 (1), re-enacted

(1) Notwithstanding section 214, the Metropolitan Council may, in any year before the adoption of the estimates for that year, levy against each of the area municipalities Levy authorized before estimates adopted

a sum not exceeding 75 per cent of the levy made by the Metropolitan Council in the preceding year against that area municipality or against the former area municipalities included within that area municipality, and subsections 14 and 15 of section 214 apply to such a levy.

s. 223 (9), amended

20.—(1) Subsection 9 of section 223 of the said Act is amended by striking out "at one time and" in the first line.

s. 223 (16), re-enacted

(2) Subsection 16 of the said section 223 is repealed and the following substituted therefor:

Debenture registration and retirement fund R.S.O. 1970, c. 284

(16) Subsections 4 and 16 of section 288, sections 289 and 290, and subsections 1 and 2 of section 291*a* of *The Municipal Act* apply *mutatis mutandis* to the Corporation.

Registration of debenture as to principal and interest

(16*a*) Subsection 4 of section 326 of *The Municipal Act* applies and shall be deemed to have always applied, *mutatis mutandis*, to the Metropolitan Corporation.

Administration of retirement fund

(16*b*) The retirement fund for term debentures shall be administered by the sinking fund committee in all respects in the same manner as a sinking fund established under this section, and the provisions of subsections 21 to 41 of this section with respect to a sinking fund shall apply *mutatis mutandis* to such retirement fund.

s. 223, amended

(3) The said section 223, as amended by the Statutes of Ontario, 1975, chapter 22, section 6, is further amended by adding thereto the following subsection:

Debentures rank *pari passu*

(42) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Metropolitan Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures.

s. 241 (1), re-enacted

21. Subsection 1 of section 241 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 171, section 7 and 1974, chapter 114, section 6, is repealed and the following substituted therefor:

Application of R.S.O. 1970, c. 284

(1) Section 5, Parts XV, XVI, XVII and XXI, sections 248*a* and 249, subsection 3 of section 308, and paragraphs 3, 10, 11, 12, 24, 29 and 42 of section 352 of *The Municipal Act*, apply *mutatis mutandis* to the Metropolitan Corporation.

SECTION 20.—Subsection 1. The amendment deletes the requirement that all debentures under a debenture by-law be issued at one time.

Subsection 2. Subsection 16 of section 223 presently reads as follows:

(16) *Section 290 of The Municipal Act applies mutatis mutandis to the Metropolitan Corporation.*

The additional provisions of *The Municipal Act* made applicable to the Metropolitan Corporation provide for:

(i) instalment debentures,

(ii) fully registered debentures,

(iii) debentures, a specified amount of the principal of which is subject to annual redemption by lot, and

(iv) term debentures.

Subsection 3. The subsection added provides that all debentures issued by the Metropolitan Corporation rank equally.

SECTION 21. Subsection 1 of section 241 presently reads as follows:

(1) *Section 5, Parts XV, XVI, XVII and XXI, section 249, subsection 3 of section 308 and paragraphs 3, 10, 11, 12, 24, 29, 42 and 46 of section 352 of The Municipal Act apply mutatis mutandis to the Metropolitan Corporation.*

The re-enactment makes applicable to the Metropolitan Corporation, in addition to those provisions already applicable to it, the provision of *The Municipal Act* conferring a general power to make grants (s. 248*a*). Deleted is the reference to paragraph 46 of section 352 permitting aid in respect of a common disaster as it is encompassed under section 248*a*.

SECTION 22. Section 242 presently reads as follows:

242. The Metropolitan Council may, by a vote of three-fourths of the members of the Council present and voting, expend in any year such sum as it may determine for the purpose of diffusing information respecting the advantages of the municipality as an industrial, business, educational, residential or vacation centre and may make annual grants for a period not exceeding five years, and upon the expiration of any such period may make similar grants for a further period not exceeding five years.

The deletion of the words shown underlined brings the section into conformity with the provisions to be found in the Acts establishing the various regional municipalities.

SECTION 23. Section 244 reads as follows:

244. The Metropolitan Council may make annual grants, in such amounts as it may determine, to institutions, associations and persons carrying on or engaged in works that in the opinion of the Metropolitan Council are for the general advantage of the inhabitants of the Metropolitan Area.

The section is no longer required in view of the broad granting powers contained in section 248*a* of *The Municipal Act*, made applicable to the Metropolitan Corporation by section 21 of the Bill.

SECTION 248*a* of *The Municipal Act* reads as follows:

248a.—(1) Notwithstanding any special provision in this Act or in any other general or special Act, the council of every municipality may, subject to section 248, make grants on such terms and conditions as to security and otherwise as the council may consider expedient to any person, institution, association, group or body of any kind, including a fund, within or outside the boundaries of the municipality for any purpose that, in the opinion of the council, is in the interests of the municipality.

(2) The power to make a grant includes the power to guarantee a loan and to make a grant by way of loan and to charge interest on such loan.

(3) A guarantee of loan made under this section shall be deemed to be a debt for the purposes of section 293 and, where the term of the loan in respect of which such guarantee is made may extend beyond the current year, such guarantee shall be deemed to be an act, the cost of which is to be raised in a subsequent year and shall be subject to the provisions of section 64 of The Ontario Municipal Board Act.

(4) For the purposes of this section, "person" includes a municipal corporation.

22. Section 242 of the said Act is repealed and the following substituted therefor: s. 242, re-enacted

242. The Metropolitan Council may expend in any year such sum as it may determine for the purpose of diffusing information respecting the advantages of the municipality as an industrial, business, educational, residential or vacation centre. Expenses for diffusing information

23. Section 244 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 114, section 7, is repealed. s. 244, repealed

24.—(1) This Act, except section 19, comes into force on the day it receives Royal Assent. Commencement

(2) Section 19 comes into force on the 1st day of January, 1977. Idem

25. This Act may be cited as *The Municipality of Metropolitan Toronto Amendment Act, 1976*. Short title

An Act to amend
The Municipality of Metropolitan
Toronto Act

1st Reading

April 14th, 1976

2nd Reading

3rd Reading

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and
Minister of Economics and
Intergovernmental Affairs

(*Government Bill*)

BILL 54 **Government Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Municipality of Metropolitan Toronto Act

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and Minister of Economics and Intergovernmental Affairs

(Reprinted as amended by the Committee of the Whole House)

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTES

SECTION 1. Subsection 4 of section 10 presently reads as follows:

(4) When a vacancy occurs in the office of a member other than the chairman or a member who held office by reason of being a mayor, the council of the area municipality, of which he was a member, shall within fifteen days after the vacancy occurs appoint his successor to hold office for the remainder of the term of his predecessor, provided that, if he held office by reason of being a controller, another controller shall be appointed or, if he held office under subsection 2 of section 5 by reason of being an alderman, another alderman shall be appointed or, if he held office under subsection 3 of section 5 by reason of being an alderman for a ward, another alderman for such ward shall be appointed.

The effect of the amendment is to enlarge from 15 to 60 days the period of time within which the council of the appropriate area municipality must appoint a successor in the event of a vacancy occurring on the Metropolitan Council.

SECTION 2. Subsection 3 of section 22 presently reads as follows:

(3) No person shall be appointed as an auditor of the Metropolitan Corporation who is or during the preceding year was a member of the Metropolitan Council or of the council of an area municipality or of any local board the accounts and transactions of which it would as auditor be his duty to audit, or who has or during the preceding year had any direct or indirect interest in any contract with the Metropolitan Corporation or an area municipality or any such local board, or any employment with any of them other than as an auditor.

The effect of the amendment is to permit a person to act as auditor of the Metropolitan Corporation despite having rendered *any* professional services, in the preceding year to Metro, an area municipality or a local board thereof.

SECTION 3. Subsection 6 of section 29 presently reads as follows:

(6) If the Metropolitan Corporation fails to make any payment as required by clause b of subsection 5, the area municipality may charge the Metropolitan Corporation interest at the rate of one-half of 1 per cent for each month or fraction thereof that the payment is overdue.

The re-enactment will permit an area municipality to charge Metro an interest rate of up to 12 per cent per annum if payment is late on amounts owing to it by Metro in connection with waterworks assumed by Metro that were formerly vested in the area municipality.

SECTION 4. This amendment to the Act is similar in principle to section 3 of the Bill; it relates to the assumption of sewage treatment works by the Metropolitan Corporation.

SECTION 5. The re-enactment will permit an area municipality to charge Metro an interest rate of up to 12 per cent per annum if payment is late on amounts owing to it by Metro; it relates to the assumption of lands and equipment by the Metropolitan Corporation for waste disposal. (See note to section 3)

BILL 54 **1976**

An Act to amend The Municipality of Metropolitan Toronto Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 4 of section 10 of *The Municipality of Metropolitan Toronto Act*, being chapter 295 of the Revised Statutes of Ontario, 1970, is amended by striking out "fifteen" in the fourth line and inserting in lieu thereof "sixty". s. 10 (4), amended

2. Subsection 3 of section 22 of the said Act is amended by striking out "as an auditor" in the ninth line and inserting in lieu thereof "for services within his professional capacity". s. 22 (3), amended

3. Subsection 6 of section 29 of the said Act is repealed and the following substituted therefor: s. 29 (6), re-enacted

(6) If the Metropolitan Corporation fails to make any payment as required by clause *b* of subsection 5, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made. Default

4. Subsection 6 of section 52 of the said Act is repealed and the following substituted therefor: s. 52 (6), re-enacted

(6) If the Metropolitan Corporation fails to make any payment as required by clause *b* of subsection 5, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made. Default

5. Subsection 10 of section 65 of the said Act is repealed and the following substituted therefor: s. 65 (10), re-enacted

Default

(10) If the Metropolitan Corporation fails to make any payment as required by clause *b* of subsection 9, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made.

s. 79*a*, re-enacted

6. Section 79*a* of the said Act, as enacted by the Statutes of Ontario, 1972, chapter 89, section 2, is repealed and the following substituted therefor:

Reserved lanes for public transit motor vehicles, etc.

79*a*. The Metropolitan Council may by by-law designate any lane on a metropolitan road as solely or principally for use by public transit motor vehicles, taxicabs and private motor vehicles carrying such number of passengers as may be specified in the by-law and prohibit and regulate the use thereof by all other vehicles to such extent and for such period or periods as may be specified and for the purposes of this section, "public transit motor vehicle" means a motor vehicle owned and operated by the Toronto Transit Commission as part of its regular passenger transportation service.

s. 84, re-enacted

7. Section 84 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 171, section 1, is repealed and the following substituted therefor:

Use of sidewalks, etc., metropolitan roads

84. The Metropolitan Council may by by-law empower the council of any area municipality to lease or license the use of sidewalks and untravelled portions of metropolitan roads within the area municipality for such purposes as the council of the area municipality may by lease or licence permit.

s. 95 (3), re-enacted

8. Subsection 3 of section 95 of the said Act is repealed and the following substituted therefor:

Default

(3) If the Metropolitan Corporation fails to make any payment as required by clause *b* of subsection 1, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made.

s. 112 (3), re-enacted

9. Subsection 3 of section 112 of the said Act is repealed and the following substituted therefor:

Default

(3) If the Metropolitan Corporation fails to make any payment as required by subsection 1, or if the Commission fails to make any payment as required by subsection 2,

SECTION 6. Section 79*a* of the Act presently reads as follows:

79a. The Metropolitan Council may by by-law designate any lane on a metropolitan road as solely or principally for use by public transit motor vehicles and prohibit the use thereof by vehicles other than public transit motor vehicles to such extent and for such period or periods as may be specified, and for the purpose of this section "public transit motor vehicle" means a motor vehicle owned and operated by the Toronto Transit Commission as part of its regular passenger transportation service.

The effect of the re-enactment is to add "taxi cabs and private motor vehicles carrying such number of passengers as may be specified in the by-law" to the classes of vehicles that may use the designated lane on metropolitan roads.

SECTION 7. Section 84 presently reads as follows:

84. The Metropolitan Council may by by-law empower the council of any area municipality to lease or license the use of untravelled portions of metropolitan roads within the area municipality to the owners or occupants of adjoining property that is lawfully used for commercial or industrial purposes to be used for such purposes as the council of the area municipality may by lease or licence permit.

The restriction embodied in the words underlined is removed in the re-enactment; the authority to license is extended to sidewalks on metropolitan roads.

SECTION 8. The amendment is similar in intent to section 3 of the Bill relating to interest charges on late payments and has reference to roads assumed as metropolitan roads by the Metropolitan Corporation.

SECTION 9. The amendment is similar in intent to section 3 of the Bill relating to interest charges on late payments and relates to land and assets assumed by the Toronto Transit Commission.

SECTION 10. The amendment is similar in intent to section 3 of the Bill relating to interest charges on late payments and relates to the assumption by the Metropolitan Corporation of liability for outstanding debentures issued for school purposes.

SECTION 11. The amendment is similar in intent to section 3 of the Bill relating to interest charges on late payments and relates to land and property used for public library purposes that is assumed by the Metropolitan Corporation.

SECTION 12. The amendment is similar in intent to section 3 of the Bill relating to interest charges on late payments and relates to land and property used for public welfare purposes that is assumed by the Metropolitan Corporation.

SECTION 13— Subsection 1. The amendment is similar in intent to section 3 of the Bill relating to interest charges on late payments and relates to the home for the aged established by the City of Toronto that is vested in the Metropolitan Corporation.

Subsection 2. Subsection 5 of section 160 reads as follows:

(5) *If the Minister of Community and Social Services certifies that Lambert Lodge in the City of Toronto is no longer required by the Metropolitan Corporation for use as a home for the aged, the Metropolitan Corporation shall thereupon transfer that portion of the real property known as Lambert Lodge that was used for the purposes of a home for the aged and was vested in the Metropolitan Corporation by subsection 1 to The Corporation of the City of Toronto, and no compensation or damages shall be payable to the Metropolitan Corporation in respect thereof.*

SECTION 14. The amendment is similar in intent to section 3 of the Bill relating to interest charges on late payments and relates to land and property used for police purposes that is assumed by the Metropolitan Corporation.

the area municipality may charge the Metropolitan Corporation, or the Metropolitan Corporation may charge the Commission, as the case may be, interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality or the Metropolitan Council determines, from the date payment is due until it is made.

10. Subsection 2 of section 133 of the said Act is repealed and the following substituted therefor: s. 133 (2), re-enacted

(2) If the Metropolitan Corporation fails to make any payments as required by subsection 1, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made. Default

11. Subsection 5 of section 147 of the said Act is repealed and the following substituted therefor: s. 147 (5), re-enacted

(5) If the Metropolitan Corporation fails to make any payment as required by clause *b* of subsection 4, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made. Default

12. Subsection 6 of section 150 of the said Act is repealed and the following substituted therefor: s. 150 (6), re-enacted

(6) If the Metropolitan Corporation fails to make any payment as required by clause *b* of subsection 5, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made. Default

13.—(1) Subsection 3 of section 160 of the said Act is repealed and the following substituted therefor: s. 160 (3), re-enacted

(3) If the Metropolitan Corporation fails to make any payment as required by subsection 2, the City may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the City determines, from the date payment is due until it is made. Default

(2) Subsection 5 of the said section 160 is repealed. s. 160 (5), repealed

14. Subsection 6 of section 182 of the said Act is repealed and the following substituted therefor: s. 182 (6), re-enacted

Default

(6) If the Metropolitan Corporation fails to make any payment as required by clause *b* of subsection 5, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made.

s. 206 (3), re-enacted

15. Subsection 3 of section 206 of the said Act is repealed and the following substituted therefor:

Default

(3) If the Metropolitan Corporation fails to make any payment as required by clause *b* of subsection 2, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made.

s. 212 (2) (*a*) (iii, iv), re-enacted

16. Subclauses iii and iv of clause *a* of subsection 2 of section 212 of the said Act, as re-enacted by the Statutes of Ontario, 1974, chapter 42, section 13, are repealed and the following substituted therefor:

(iii) term deposits, deposit receipts, deposit notes, certificates of deposit, acceptances and other similar instruments issued, accepted, guaranteed or endorsed by a chartered bank to which the *Bank Act* (Canada) applies,

R.S.C. 1970, c. B-1

(iv) promissory notes of a metropolitan, regional or district municipality or of a municipality as defined in *The Municipal Affairs Act*, or of a conservation authority established under *The Conservation Authorities Act*; or

R.S.O. 1970, cc. 118,78

. . . . .

s. 223 (9), amended

17.—(1) Subsection 9 of section 223 of the said Act is amended by striking out "at one time and" in the first line.

s. 223 (16), re-enacted

(2) Subsection 16 of the said section 223 is repealed and the following substituted therefor:

Debenture registration and retirement fund

(16) Subsections 4 and 16 of section 288, sections 289 and 290, and subsections 1 and 2 of section 291*a* of *The Municipal Act* apply *mutatis mutandis* to the Corporation.

R.S.O. 1970, c. 284

Registration of debenture as to principal and interest

(16*a*) Subsection 4 of section 326 of *The Municipal Act* applies and shall be deemed to have always applied, *mutatis mutandis*, to the Metropolitan Corporation.

SECTION 15. The amendment is similar in intent to section 3 of the Bill relating to interest charges on late payments and relates to land and property used for public parks, recreation areas, etc., that is assumed by the Metropolitan Corporation.

SECTION 16. Subclauses iii and iv of clause *a* of subsection 2 of section 212 presently read as follows:

> (*iii*) *term deposits, deposit receipts, deposit notes, certificates of deposit, acceptances and other similar instruments issued, accepted or endorsed by any chartered bank to which the Bank Act (Canada) applies,*
>
> (*iv*) *loans by way of promissory notes of the borrower to any municipality, or to any local board as defined in The Municipal Affairs Act;*

They set out types of security in which the Metropolitan Corporation, or any area municipality, may invest moneys not immediately required. The re-enactment of subclause iii adds instruments of the type mentioned that are guaranteed by a bank as an authorized investment. The re-enactment of subclause iv clarifies and expands the types of promissory notes that may be invested in.

SECTION 17.—Subsection 1. The amendment deletes the requirement that all debentures under a debenture by-law be issued at one time.

Subsection 2. Subsection 16 of section 223 presently reads as follows:

> (*16*) *Section 290 of The Municipal Act applies mutatis mutandis to the Metropolitan Corporation.*

The additional provisions of *The Municipal Act* made applicable to the Metropolitan Corporation provide for:

(i) instalment debentures,

(ii) fully registered debentures,

(iii) debentures, a specified amount of the principal of which is subject to annual redemption by lot, and

(iv) term debentures.

Subsection 3. The subsection added provides that all debentures issued by the Metropolitan Corporation rank equally.

SECTION 18. Subsection 1 of section 241 presently reads as follows:

(1) Section 5, Parts XV, XVI, XVII and XXI, section 249, subsection 3 of section 308 and paragraphs 3, 10, 11, 12, 24, 29, 42 and 46 of section 352 of The Municipal Act apply mutatis mutandis to the Metropolitan Corporation.

The re-enactment makes applicable to the Metropolitan Corporation, in addition to those provisions already applicable to it, the provision of *The Municipal Act* conferring a general power to make grants (s. 248*a*). Deleted is the reference to paragraph 46 of section 352 permitting aid in respect of a common disaster as it is encompassed under section 248*a*.

SECTION 19. Section 242 presently reads as follows:

242. The Metropolitan Council may, by a vote of three-fourths of the members of the Council present and voting, expend in any year such sum as it may determine for the purpose of diffusing information respecting the advantages of the municipality as an industrial, business, educational, residential or vacation centre and may make annual grants for a period not exceeding five years, and upon the expiration of any such period may make similar grants for a further period not exceeding five years.

The deletion of the words shown underlined brings the section into conformity with the provisions to be found in the Acts establishing the various regional municipalities.

(16*b*) The retirement fund for term debentures shall be administered by the sinking fund committee in all respects in the same manner as a sinking fund established under this section, and the provisions of subsections 21 to 41 of this section with respect to a sinking fund shall apply *mutatis mutandis* to such retirement fund. Administration of retirement fund

(3) The said section 223, as amended by the Statutes of Ontario, 1975, chapter 22, section 6, is further amended by adding thereto the following subsection: s. 223, amended

(42) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Metropolitan Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures. Debentures rank *pari passu*

18. Subsection 1 of section 241 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 171, section 7 and 1974, chapter 114, section 6, is repealed and the following substituted therefor: s. 241 (1), re-enacted

(1) Section 5, Parts XV, XVI, XVII and XXI, sections 248*a* and 249, subsection 3 of section 308, and paragraphs 3, 10, 11, 12, 24, 29 and 42 of section 352 of *The Municipal Act*, apply *mutatis mutandis* to the Metropolitan Corporation. Application of R.S.O. 1970, c. 284

19. Section 242 of the said Act is repealed and the following substituted therefor: s. 242, re-enacted

242. The Metropolitan Council may expend in any year such sum as it may determine for the purpose of diffusing information respecting the advantages of the municipality as an industrial, business, educational, residential or vacation centre. Expenses for diffusing information

20. Section 244 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 114, section 7, is repealed. s. 244, repealed

21. This Act comes into force on the day it receives Royal Assent. Commencement

22. This Act may be cited as *The Municipality of Metropolitan Toronto Amendment Act, 1976*. Short title

SECTION 20. Section 244 reads as follows:

244. The Metropolitan Council may make annual grants, in such amounts as it may determine, to institutions, associations and persons carrying on or engaged in works that in the opinion of the Metropolitan Council are for the general advantage of the inhabitants of the Metropolitan Area.

The section is no longer required in view of the broad granting powers contained in section 248*a* of *The Municipal Act*, made applicable to the Metropolitan Corporation by section 21 of the Bill.

SECTION 248*a* of *The Municipal Act* reads as follows:

248a.—(1) Notwithstanding any special provision in this Act or in any other general or special Act, the council of every municipality may, subject to section 248, make grants on such terms and conditions as to security and otherwise as the council may consider expedient to any person, institution, association, group or body of any kind, including a fund, within or outside the boundaries of the municipality for any purpose that, in the opinion of the council, is in the interests of the municipality.

(2) The power to make a grant includes the power to guarantee a loan and to make a grant by way of loan and to charge interest on such loan.

(3) A guarantee of loan made under this section shall be deemed to be a debt for the purposes of section 293 and, where the term of the loan in respect of which such guarantee is made may extend beyond the current year, such guarantee shall be deemed to be an act, the cost of which is to be raised in a subsequent year and shall be subject to the provisions of section 64 of The Ontario Municipal Board Act.

(4) For the purposes of this section, "person" includes a municipal corporation.

An Act to amend
The Municipality of Metropolitan
Toronto Act

1st Reading

April 14th, 1976

2nd Reading

April 27th, 1976

3rd Reading

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and
Minister of Economics and
Intergovernmental Affairs

(*Reprinted as amended by the Committee of the Whole House*)

BILL 54

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Municipality of Metropolitan Toronto Act

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and Minister of Economics and Intergovernmental Affairs

TORONTO
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BILL 54 **1976**

An Act to amend The Municipality of Metropolitan Toronto Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 4 of section 10 of *The Municipality of Metropolitan Toronto Act*, being chapter 295 of the Revised Statutes of Ontario, 1970, is amended by striking out "fifteen" in the fourth line and inserting in lieu thereof "sixty". s. 10 (4), amended

2. Subsection 3 of section 22 of the said Act is amended by striking out "as an auditor" in the ninth line and inserting in lieu thereof "for services within his professional capacity". s. 22 (3), amended

3. Subsection 6 of section 29 of the said Act is repealed and the following substituted therefor: s. 29 (6), re-enacted

(6) If the Metropolitan Corporation fails to make any payment as required by clause *b* of subsection 5, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made. Default

4. Subsection 6 of section 52 of the said Act is repealed and the following substituted therefor: s. 52 (6), re-enacted

(6) If the Metropolitan Corporation fails to make any payment as required by clause *b* of subsection 5, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made. Default

5. Subsection 10 of section 65 of the said Act is repealed and the following substituted therefor: s. 65 (10), re-enacted

Default

(10) If the Metropolitan Corporation fails to make any payment as required by clause *b* of subsection 9, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made.

s. 79*a*, re-enacted

6. Section 79*a* of the said Act, as enacted by the Statutes of Ontario, 1972, chapter 89, section 2, is repealed and the following substituted therefor:

Reserved lanes for public transit motor vehicles, etc.

79*a*. The Metropolitan Council may by by-law designate any lane on a metropolitan road as solely or principally for use by public transit motor vehicles, taxicabs and private motor vehicles carrying such number of passengers as may be specified in the by-law and prohibit and regulate the use thereof by all other vehicles to such extent and for such period or periods as may be specified and for the purposes of this section, "public transit motor vehicle" means a motor vehicle owned and operated by the Toronto Transit Commission as part of its regular passenger transportation service.

s. 84, re-enacted

7. Section 84 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 171, section 1, is repealed and the following substituted therefor:

Use of sidewalks, etc., metropolitan roads

84. The Metropolitan Council may by by-law empower the council of any area municipality to lease or license the use of sidewalks and untravelled portions of metropolitan roads within the area municipality for such purposes as the council of the area municipality may by lease or licence permit.

s. 95 (3), re-enacted

8. Subsection 3 of section 95 of the said Act is repealed and the following substituted therefor:

Default

(3) If the Metropolitan Corporation fails to make any payment as required by clause *b* of subsection 1, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made.

s. 112 (3), re-enacted

9. Subsection 3 of section 112 of the said Act is repealed and the following substituted therefor:

Default

(3) If the Metropolitan Corporation fails to make any payment as required by subsection 1, or if the Commission fails to make any payment as required by subsection 2,

the area municipality may charge the Metropolitan Corporation, or the Metropolitan Corporation may charge the Commission, as the case may be, interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality or the Metropolitan Council determines, from the date payment is due until it is made.

10. Subsection 2 of section 133 of the said Act is repealed and the following substituted therefor: s. 133 (2), re-enacted

(2) If the Metropolitan Corporation fails to make any payments as required by subsection 1, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made. Default

11. Subsection 5 of section 147 of the said Act is repealed and the following substituted therefor: s. 147 (5), re-enacted

(5) If the Metropolitan Corporation fails to make any payment as required by clause *b* of subsection 4, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made. Default

12. Subsection 6 of section 150 of the said Act is repealed and the following substituted therefor: s. 150 (6), re-enacted

(6) If the Metropolitan Corporation fails to make any payment as required by clause *b* of subsection 5, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made. Default

13.—(1) Subsection 3 of section 160 of the said Act is repealed and the following substituted therefor: s. 160 (3), re-enacted

(3) If the Metropolitan Corporation fails to make any payment as required by subsection 2, the City may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the City determines, from the date payment is due until it is made. Default

(2) Subsection 5 of the said section 160 is repealed. s. 160 (5), repealed

14. Subsection 6 of section 182 of the said Act is repealed and the following substituted therefor: s. 182 (6), re-enacted

Default

(6) If the Metropolitan Corporation fails to make any payment as required by clause *b* of subsection 5, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made.

s. 206 (3), re-enacted

15. Subsection 3 of section 206 of the said Act is repealed and the following substituted therefor:

Default

(3) If the Metropolitan Corporation fails to make any payment as required by clause *b* of subsection 2, the area municipality may charge the Metropolitan Corporation interest at the rate of 12 per cent *per annum* or such lower rate as the council of the area municipality determines, from the date payment is due until it is made.

s. 212 (2) (*a*) (iii, iv), re-enacted

16. Subclauses iii and iv of clause *a* of subsection 2 of section 212 of the said Act, as re-enacted by the Statutes of Ontario, 1974, chapter 42, section 13, are repealed and the following substituted therefor:

(iii) term deposits, deposit receipts, deposit notes, certificates of deposit, acceptances and other similar instruments issued, accepted, guaranteed or endorsed by a chartered bank to which the *Bank Act* (Canada) applies,

R.S.C. 1970, c. B-1

(iv) promissory notes of a metropolitan, regional or district municipality or of a municipality as defined in *The Municipal Affairs Act*, or of a conservation authority established under *The Conservation Authorities Act*; or

R.S.O. 1970, cc. 118,78

. . . . .

s. 223 (9), amended

17.—(1) Subsection 9 of section 223 of the said Act is amended by striking out "at one time and" in the first line.

s. 223 (16), re-enacted

(2) Subsection 16 of the said section 223 is repealed and the following substituted therefor:

Debenture registration and retirement fund

R.S.O. 1970, c. 284

(16) Subsections 4 and 16 of section 288, sections 289 and 290, and subsections 1 and 2 of section 291*a* of *The Municipal Act* apply *mutatis mutandis* to the Corporation.

Registration of debenture as to principal and interest

(16*a*) Subsection 4 of section 326 of *The Municipal Act* applies and shall be deemed to have always applied, *mutatis mutandis*, to the Metropolitan Corporation.

(16*b*) The retirement fund for term debentures shall be administered by the sinking fund committee in all respects in the same manner as a sinking fund established under this section, and the provisions of subsections 21 to 41 of this section with respect to a sinking fund shall apply *mutatis mutandis* to such retirement fund. Administration of retirement fund

(3) The said section 223, as amended by the Statutes of Ontario, 1975, chapter 22, section 6, is further amended by adding thereto the following subsection: s. 223, amended

(42) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Metropolitan Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures. Debentures rank *pari passu*.

18. Subsection 1 of section 241 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 171, section 7 and 1974, chapter 114, section 6, is repealed and the following substituted therefor: s. 241 (1), re-enacted

(1) Section 5, Parts XV, XVI, XVII and XXI, sections 248*a* and 249, subsection 3 of section 308, and paragraphs 3, 10, 11, 12, 24, 29 and 42 of section 352 of *The Municipal Act*, apply *mutatis mutandis* to the Metropolitan Corporation. Application of R.S.O. 1970, c. 284

19. Section 242 of the said Act is repealed and the following substituted therefor: s. 242, re-enacted

242. The Metropolitan Council may expend in any year such sum as it may determine for the purpose of diffusing information respecting the advantages of the municipality as an industrial, business, educational, residential or vacation centre. Expenses for diffusing information

20. Section 244 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 114, section 7, is repealed. s. 244, repealed

21. This Act comes into force on the day it receives Royal Assent. Commencement

22. This Act may be cited as *The Municipality of Metropolitan Toronto Amendment Act, 1976*. Short title

An Act to amend
The Municipality of Metropolitan
Toronto Act

1st Reading

April 14th, 1976

2nd Reading

April 27th, 1976

3rd Reading

June 8th, 1976

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and
Minister of Economics and
Intergovernmental Affairs

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

The Regional Municipalities Amendment Act, 1976

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and Minister of Economics and Intergovernmental Affairs

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Explanatory Notes

General

The Bill amends ten of the Acts that establish various regional municipalities and is divided into the following Parts:

Part I — Ottawa-Carleton (ss. 1-15).

Part II — Niagara (ss. 16-30).

Part III — York (ss. 31-44).

Part IV — Waterloo (ss. 45-58).

Part V — Sudbury (ss. 59-70).

Part VI — Peel (ss. 71-83).

Part VII — Halton (ss. 84-97).

Part VIII — Hamilton-Wentworth (ss. 98-111).

Part IX — Durham (ss. 112-124).

Part X — Haldimand-Norfolk (ss. 125-137).

The following nine numbered paragraphs describe amendments that are common to all ten of the regional municipalities.

1. *Sections 1, 16 (2), 32 (1), 45, 59, 71, 85, 98 (1), 112, 125.*

   Upon the application of the council of an area municipality, the Municipal Board is empowered to divide the area municipality into wards, to alter or dissolve an existing ward system and to provide for the composition of the council of the area municipality; nothing however in any order of the Board is to alter the number of representatives of the area municipality on the Regional Council.

2. *Sections 2, 17, 33, 46, 60, 72, 86, 99, 113, 126.*

   The effect of the amendment is to enlarge from 30 to 60 days the period of time within which the council of the appropriate area municipality must appoint a successor in the event of a vacancy occurring on the Regional Council. An example of one of the subsections as it presently reads is set out below:

   > (4) *When a vacancy occurs in the office of a member, other than the chairman or the head of the council of an area municipality, the council of the area municipality from which he was elected shall by by-law within thirty days after the vacancy occurs appoint a successor, who is eligible to be elected a member of the Regional Council, to hold office for the remainder of the term of his predecessor.*

3. *Sections 3, 18, 34, 47, 61, 73, 87, 100, 114, 127.*

   The effect of the amendment is to permit a person to act as auditor of the Regional Corporation despite having rendered any professional services in the preceding year to the Regional Corporation, an area municipality or a local board thereof. An example of one of the subsections as it presently reads is set out below:

(3) *No person shall be appointed as an auditor of the Regional Corporation who is or during the preceding year was a member of the Regional Council or of the council of an area municipality or of any local board the accounts and transactions of which it would as auditor be his duty to audit, or who has or during the preceding year had any direct or indirect interest in any contract with the Regional Corporation or an area municipality or any such local board, or any employment with any of them other than as an auditor.*

4. *Sections 5, 19, 35, 49, 62, 74, 88, 101, 115, 128.*

Approval under *The Highway Traffic Act* is now no longer required to local municipality traffic by-laws and the amendment deletes the reference to such approval; the new subsections added permit the Regional Council to approve such traffic by-laws in part only and to withdraw any approval previously given. Similar powers were formerly exercised under *The Highway Traffic Act*. An example of one of the subsections as it presently reads is set out below:

(1) *No by-law passed by an area municipality for the regulation of traffic on a highway under the jurisdiction and control of the area municipality, except a by-law for the regulation of parking, shall come into force unless it has been approved by the Regional Council before it is submitted for approval under The Highway Traffic Act.*

5. *Sections 6, 20, 36, 50, 75, 89, 102, 116, 129.*

The effect of the amendment is to confer on the Regional Council, in addition to the power it now has to pass zoning by-laws under section 35 of *The Planning Act*, the power to pass by-laws under sections 35*a* and 35*b* of that Act.

Those sections permit development control by-laws and the requirement of land for park purposes respectively. In all three cases the authority of the Regional Council is confined to land lying within 150 feet from any limit of a regional road. An example of one of the sections as it presently reads is set out below:

46.—(1) *The Regional Council has, with respect to all land lying within a distance of 150 feet from any limit of a regional road, all the powers conferred on the council of a local municipality by section 35 of The Planning Act.*

(2) *In the event of conflict between a by-law passed under subsection 1 by the Regional Council and a by-law passed under section 35 of The Planning Act or a predecessor of such section by the council of a local municipality that is in force in the area municipality in which the land is situate, the by-law passed by the Regional Council prevails to the extent of such conflict.*

(NOTE: This amendment is not applicable to The Regional Municipality of Sudbury.)

6. *Sections 9, 23, 37, 51, 63, 76, 90, 103, 117, 130.*

The effect of the amendment is to increase from 50 per cent to 75 per cent the portion of the preceding year's levy that,

(i) the Regional Council may levy in any year against the area municipalities, and

(ii) the council of an area municipality may levy in any year against each of the merged areas in it,

before the estimates for that year are adopted. An example of the two relevant subsections as they presently read is set out below:

(2) *Notwithstanding section 122, in 1974 and in subsequent years, the Regional Council may, before the adoption of estimates for the year, levy against each of the area municipalities a sum not exceeding 50 per cent of the levy made by the Regional Council in the preceding year against that area municipality and subsections 15 and 16 of section 122 apply to such a levy.*

(4) *Notwithstanding section 123, until the date determined by the Minister under subsection 5 of section 122, the council of an area municipality may in any year by by-law passed before the adoption of the estimates for that year, levy in each of the merged areas in the area municipality, before the adoption of the estimates, on the whole of the assessment for real property in the merged area according to the last revised assessment roll, a sum not exceeding 50 per cent of that which would be produced by applying to such assessment the total rate for all purposes levied in the merged area in the preceding year on residential real property of public school supporters.*

This "interim levy" will now be levied separately on commercial and residential assessment, the amount to be levied on commercial assessment being based on the prior year's commercial mill rate and the amount to be levied on residential assessment being based on the prior year's residential mill rate.

7. *Sections 10, 24, 38, 52, 64, 77, 91, 104, 118, 131.*

The section added permits the Regional Council, in cases where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act*, whereunder moneys will be received by the Corporation from the Crown, to arrange temporary financing pending the receipt of the moneys; the power is analogous to that which is conferred on the Regional Council pending the issue and sale of debentures that have been approved by the Municipal Board.

8. *Sections 12, 13, 14, 28, 29, 30, 42, 43, 44, 56, 57, 58, 68, 69, 70, 81, 82, 83, 95, 96, 97, 108, 109, 110, 122, 123, 124, 135, 136, 137.*

The amendments relate to the power of the Regional Corporation to make grants, and the effect is the following:

(1) The broad general granting power conferred on local municipalities under section 248*a* of *The Municipal Act* is given to the Regional Corporation. Section 248*a* reads as follows:

248a.—(1) Notwithstanding any special provision in this Act or in any other general or special Act, the council of every municipality may, subject to section 248, make grants on such terms and conditions as to security and otherwise as the council may consider expedient to any person, institution, association, group or body of any kind, including a fund, within or outside the boundaries of the municipality for any purpose that, in the opinion of the council, is in the interests of the municipality.

(2) *The power to make a grant includes the power to guarantee a loan and to make a grant by way of loan and to charge interest on such loan.*

(3) *A guarantee of loan made under this section shall be deemed to be a debt for the purposes of section 293 and, where the term of the loan in respect of which such guarantee is made may extend beyond the current year, such guarantee shall be deemed to be an act, the cost of which is to be raised in a subsequent year and shall be subject to the provisions of section 64 of The Ontario Municipal Board Act.*

(4) *For the purposes of this section, "person" includes a municipal corporation.*

(2) The specific authority now possessed by the Regional Corporation to make annual grants for the purpose of diffusing information is no longer required in the light of the broad general granting power contained in section 248*a* of *The Municipal Act*, now made applicable to the Regional Corporation. An example of the relevant subsection is set out below, showing underlined the words to be deleted.

(1) *The Regional Corporation may make expenditures for the purpose of diffusing information respecting the advantages of the regional municipality as an industrial, business, educational, residential or vacation centre and may make annual grants for a period not exceeding five years.*

(3) The specific authority now possessed by the Regional Corporation to make grants to persons engaged in works deemed advantageous to the Regional Area is no longer required in the light of the broad general granting power. An example of the relevant section to be repealed is set out below:

118. The Regional Council may make annual grants to institutions, associations, area municipalities and persons carrying on or engaged in works that in the opinion of the Regional Council are for the general advantage of the inhabitants of the Regional Area.

9. *Sections 11, 25, 39, 53, 65, 78, 92, 105, 119, 132.*

The amendments relate to debentures and provide for the following:

(1) The present requirement that all debentures authorized by the same by-law of the Regional Council be issued at the same time is deleted.

(2) The investment powers of the Regional Corporation in respect of sinking fund moneys is expanded. Such moneys will be able to be invested in United States of America securities and such other types of securities as the Lieutenant Governor in Council authorizes. Presently investments of such moneys are limited to the following:

(*a*) *in securities in which a trustee may invest under The Trustee Act;*

(*b*) *in debentures of the Regional Corporation;*

(c) *in temporary advances to the Regional Corporation pending the issue and sale of any debentures of the Regional Corporation;*

(d) *in temporary loans to the Regional Corporation for current expenditures, but no loan for such purpose shall be made for a period ending after the end of the calendar year in which the loan is made.*

(3) The Regional Corporation is given the same power as is conferred on local municipalities under section 291*a* of *The Municipal Act* to issue "term debentures". The retirement fund for the term debentures is to be administered by the sinking fund committee of the Regional Corporation. All debentures issued by the Regional Corporation, regardless of the date of issue or the date of maturity are to rank equally.

The following two numbered paragraphs describe amendments that are common to all the regional municipalities dealt with in the Bill with the exception of Ottawa-Carleton.

1. *Sections 26, 40, 54, 66, 79, 93, 106, 120, 133.*

The effect of the added section is to confer on the Regional Corporation the same power as is conferred on local municipalities under section 289 of *The Municipal Act* to issue debentures all or a portion of which may be made payable on a fixed date, subject to the obligation of the Corporation to redeem annually, by lot, a certain specified principal amount of the debentures.

2. *Sections 27, 41, 55, 67, 80, 94, 107, 121, 134.*

The effect of the amendment is to authorize debentures of the Regional Corporation to be registered both as to principal and to interest, and to provide that where debentures are issued in a currency other than that of Canada the Debenture Registry Book may be maintained outside Canada. Local municipalities have the same authority under section 326 of *The Municipal Act.*

The following sections of the Bill relate only to the regional municipalities mentioned therein:

SECTION 4. The subsections being repealed provided for the by-law establishing the regional road system in Ottawa-Carleton to be passed and submitted to the Lieutenant Governor for approval on or before October 31st, 1968; they are repealed as being spent provisions.

SECTION 7. Section 65 of *The Regional Municipality of Ottawa-Carleton Act* provides that if an area municipality intends to stop up a road it is to notify the Regional Council, which then has 60 days to object to the closing; the subsection added allows the Regional Council to consent to the closing and thereby abrogate the 60-day waiting period.

SECTION 8. The amendment relates to the Ottawa-Carleton Regional Transit Commission and its assumption of assets vested in an area municipality used for transportation services; the amendment varies the interest rate from a mandatory 1 per cent per month to such rate per annum up to 12 per cent as the area council determines, as the penalty for late payment by the Regional Corporation on debenture payments falling due in respect of the assets assumed.

SECTION 15. The section being repealed provided that the expenses of the Regional Corporation of Ottawa-Carleton in its initial year of 1968 be paid out of the Consolidated Revenue Fund; it is repealed as obsolete.

SECTION 16.—Subsection 1. The subsection being repealed authorized the Minister to vary the composition of the council of any area municipality in Niagara; that function will now be vested in the Municipal Board, as provided in section 16 (2) of the Bill.

SECTIONS 21 and 22. These amendments relate to Niagara and the assumption by the Regional Corporation of regional roads and homes for the aged respectively; the effect of the amendment is to increase the permitted interest rate charged by an area municipality to the Regional Corporation for late payment from one-half of 1 per cent per month to 12 per cent per annum.

SECTION 31. In respect of area municipalities in the Region of York the Municipal Board is empowered to divide and redivide the municipality into wards; that power is removed by the amendment in the light of the broader powers conferred on the Board by section 32 (1) of the Bill.

SECTION 32.—Subsection 2. The added subsection empowers the Minister, at the request of the council of the town of Markham (York) to make special provision in respect of the 1976 election.

SECTION 48. Subsections 4 and 5 of section 27 of *The Regional Municipality of Waterloo Act, 1972*, presently read as follows:

(4) *Where the Regional Corporation or a local board thereof employs a person theretofore employed by a local municipality or a local board thereof within the Regional Area or by the County of Waterloo or a local board thereof, the employee shall be deemed to remain an employee of the municipality or local board thereof until the Regional Corporation or local board thereof has established a sick leave credit plan for its employees, and the employees are entitled to receive such benefits from the Regional Corporation, whereupon the Regional Corporation or local board thereof shall place to the credit of the employee the sick leave credits standing to his credit in the plan of the municipality or local board thereof.*

(5) *Where the Regional Corporation or a local board thereof employs a person theretofore employed by a local municipality or a local board thereof within the Regional Area or by the County of Waterloo or a local board thereof or a roads commission, the Regional Corporation or local board thereof shall, during the first year of his employment by the Regional Corporation or local board thereof, provide for such employee's holidays with pay equivalent to those to which he would have been entitled if he had remained in the employment of the municipality or local board thereof.*

The effect of the re-enactment is that, after July 1st, 1976, employees of an area municipality or a local board thereof, hired by the Regional Corporation, will be entitled to carry over their sick leave and holiday credits only if the Regional Corporation has been required by law to employ them.

SECTION 84. Section 2 (1) (*a*) of *The Regional Municipality of Halton Act, 1973*, presently reads in part as follows:

2.—(1) On the 1st day of January, 1974,

(*a*) *The portion of the Town of Burlington, described as follows, is incorporated as a city municipality bearing the name of The Corporation of the City of Burlington:*

Commencing where the west limit of the present Town of Burlington intersects the highwater mark of Hamilton Harbour;

. . . . . .

The words added are designed to make it clear that the newly incorporated City of Burlington is the successor municipality of the former Town of Burlington; a small portion of the former Town of Burlington was annexed to the new Town of Milton on the same date of January 1st, 1974.

SECTION 98.—Subsection 2. The added subsection empowers the Minister, at the request of the council of the Township of Glanbrook (Hamilton-Wentworth), to make special provision in respect of the 1976 election.

SECTION 111. The section repeals various obsolete private Acts that conferred certain powers with respect to waterworks on the City of Hamilton. All such powers are now exercised by The Regional Corporation of Hamilton-Wentworth.

BILL 55 **1976**

The Regional Municipalities Amendment Act, 1976

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

PART I

THE REGIONAL MUNICIPALITY OF OTTAWA-CARLETON

1. *The Regional Municipality of Ottawa-Carleton Act*, being chapter 407 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following section: s. 7*a*, enacted

7*a*. Notwithstanding the provisions of this or any other Act, upon the application of an area municipality authorized by a by-law of the council thereof, the Municipal Board may, by order, Alteration of wards, etc., by O.M.B.

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; and

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area municipality on the Regional Council as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of

the area municipality, and shall be the head of the council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

s. 11 (4), amended

2. Subsection 4 of section 11 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 138, section 5, is further amended by striking out "thirty" in the fifth line and inserting in lieu thereof "sixty".

s. 25 (3), amended

3. Subsection 3 of section 25 of the said Act is amended by striking out "as an auditor" in the eighth and ninth lines and inserting in lieu thereof "for services within his professional capacity".

s. 45 (2, 3), repealed

4. Subsections 2 and 3 of section 45 of the said Act are repealed.

s. 55*b* (1), amended

5.—(1) Subsection 1 of section 55*b* of the said Act, as enacted by the Statutes of Ontario, 1972, chapter 126, section 8, is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the sixth and seventh lines.

s. 55*b*, amended

(2) The said section 55*b* is amended by adding thereto the following subsections:

Regional Council may approve by-law in whole or in part

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part and, where part of a by-law is approved only, that part only shall become operative.

Withdrawal of approval

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice.

s. 61, re-enacted

6. Section 61 of the said Act is repealed and the following substituted therefor:

Control of development

61.—(1) The Regional Council has, with respect to all land lying within a distance of 150 feet from any limit of a regional road, all the powers conferred on the council of a local municipality by sections 35, 35*a* and 35*b* of *The Planning Act*.

R.S.O. 1970, c. 349

Conflict with local by-laws

(2) In the event of conflict between a by-law passed under subsection 1 by the Regional Council and a by-law passed under section 35 of *The Planning Act* or a predecessor of such section or under section 35*b* of the said Act by the

council of the area municipality in which the land is situate, the by-law passed by the Regional Council prevails to the extent of such conflict, but in all other respects the by-law passed by the council of the area municipality remains in full force and effect.

7. Section 65 of the said Act, as amended by the Statutes of Ontario, 1972, chapter 126, section 12 and 1973, chapter 71, section 6, is further amended by adding thereto the following subsection: s. 65, amended

(2*a*) Where the Regional Council notifies the council of the area municipality that the Regional Council does not object to such stopping up, the Regional Council shall have no further right to object under subsection 2 and the council of the area municipality may proceed to pass a by-law for the stopping up of the highway or part thereof concerned. Where Regional Council has no objection

8. Subsection 6 of section 67*e* of the said Act, as enacted by the Statutes of Ontario, 1972, chapter 126, section 14, is repealed and the following substituted therefor: s. 67*e* (6), re-enacted

(6) If the Regional Corporation fails to make any payment as required by subsection 5, interest shall be payable thereon at the rate of 12 per cent per annum, or such lower rate as the council of the area municipality determines, from the date payment is due until it is made. Default

9. Subsection 1 and subsection 3, as enacted by the Statutes of Ontario, 1973, chapter 138, section 12, of section 93 of the said Act, are repealed and the following substituted therefor: s. 93 (1, 3), re-enacted

(1) Notwithstanding section 92, the Regional Council may in any year, before the adoption of estimates for that year, levy against each of the area municipalities a sum not exceeding 75 per cent of the levy made by the Regional Council in the preceding year against that area municipality and subsections 15 and 16 of section 92 apply to such a levy. Levy authorized before estimates adopted

. . . . .

(3) Notwithstanding section 92*a*, the council of an area municipality may in any year, before the adoption of the estimates for that year, levy in each of the merged areas in the area municipality, Levy by area municipality before estimates adopted

(*a*) on the residential and farm assessment as defined in clause *e* of subsection 1 of section 7 of *The Ontario Unconditional Grants Act, 1975*, a sum not exceeding 75 per cent of that which would be produced by applying to such assessment the total 1975, c. 7

rate for all purposes levied in the preceding year in the merged area on residential real property of public school supporters; and

1975, c. 7

(*b*) on the commercial assessment as defined in clause *c* of subsection 1 of section 1 of *The Ontario Unconditional Grants Act, 1975*, a sum not exceeding 75 per cent of that which would be produced by applying to such assessment the total rate for all purposes levied in the preceding year in the merged area on the real property of public school supporters used as the basis for computing business assessment.

Where assessment differs

(3*a*) For the purposes of subsection 3, where for the year there is a different assessment generally of lands in a municipality the rates levied in the preceding year shall be adjusted by determining the rates that would have been levied in the preceding year had such assessment been used to determine the rates levied in the preceding year.

s. 99*a*, enacted

10. The said Act is further amended by adding thereto the following section:

Temporary borrowing R.S.O. 1970, c. 332

99*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act* whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council, pending the receipt of such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time.

Application of proceeds

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement, such moneys shall be applied first in repayment of the advances.

s. 100 (9), amended

11.—(1) Subsection 9 of section 100 of the said Act is amended by striking out "at one time and" in the first line.

s. 100 (30), amended

(2) Subsection 30 of the said section 100 is amended by adding thereto the following clauses:

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

(3) The said section 100, as amended by the Statutes of Ontario, 1972, chapter 126, section 19, is further amended by adding thereto the following subsections: s. 100, amended

(42) A money by-law may authorize the issue of debentures of which a portion shall be payable on a fixed date with interest payable annually or semi-annually, in which case such debentures shall be known as term debentures. Term debentures

(43) In respect of the term debentures, the by-law shall provide for raising, Amounts to be raised annually

(*a*) in each year of the currency of the term debentures, a sum sufficient to pay the interest on the term debentures; and

(*b*) in each year of the currency of the term debentures in which no other debentures issued under the same by-law become due and payable, a specific amount to form a retirement fund for the term debentures which, with interest at a rate not to exceed 5 per cent per annum compounded yearly, will be sufficient to pay the principal of the term debentures at maturity.

(44) The retirement fund for the term debentures shall be administered by the sinking fund committee in all respects in the same manner as a sinking fund established under this section, and the provisions of subsections 21 to 41 of this section with respect to a sinking fund shall apply *mutatis mutandis* to such retirement fund. Retirement fund administration

(45) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures. All debentures rank equally

12. Subsection 1 of section 124 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 138, section 19, and 1974, chapter 117, section 4, is repealed and the following substituted therefor: s. 124 (1), re-enacted

(1) Section 5, Parts XV, XVI, XVII and XXI, sections 248*a*, 249 and 254, subsection 3 of section 308, paragraphs Application of R.S.O. 1970, c. 284

3, 10, 11, 12 and 24 of section 352 and section 391 of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation.

s. 126, amended

13. Section 126 of the said Act, as re-enacted by the Statutes of Ontario, 1973, chapter 138, section 20, is amended by striking out "and may make annual grants for a period not exceeding five years, and upon the expiration of any such period may make similar grants for a further period not exceeding five years" in the fourth, fifth, sixth and seventh lines.

s. 127, repealed

14. Section 127 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 5, is repealed.

s. 141, repealed

15. Section 141 of the said Act is repealed.

PART II

THE REGIONAL MUNICIPALITY OF NIAGARA

s. 3 (1*a*), repealed

16.—(1) Subsection 1*a* of section 3 of *The Regional Municipality of Niagara Act*, being chapter 406 of the Revised Statutes of Ontario, 1970, as enacted by the Statutes of Ontario, 1972, chapter 51, section 1, is repealed.

s. 3 (5), re-enacted

(2) Subsection 5 of the said section 3, as enacted by the Statutes of Ontario, 1974, chapter 30, section 1, is repealed and the following substituted therefor:

Effect of Minister's order

(5) Where the Minister has divided or redivided an area municipality into wards by order made under subsection 3, such division or redivision remains in effect until altered by the Municipal Board.

Alteration of wards, etc., by O.M.B.

(5*a*) Notwithstanding the provisions of this or any other Act, upon the application of an area municipality authorized by a by-law of the council thereof, the Municipal Board may, by order,

(*a*) divide or redivide the area municipality into wards and shall designate the name or number that each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; and

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of the council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

17. Subsection 4 of section 12 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty". s. 12 (4), amended

18. Subsection 3 of section 25 of the said Act is amended by striking out "as an auditor" in the eighth and ninth lines and inserting in lieu thereof "for services within his professional capacity". s. 25 (3), amended

19.—(1) Subsection 1 of section 77 of the said Act is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines. s. 77 (1), amended

(2) The said section 77 is amended by adding thereto the following subsections: s. 77, amended

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part and, where part of a by-law is approved only, that part only shall become operative. Regional Council may approve by-law in whole or in part

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice. Withdrawal of approval

20. Section 84 of the said Act is repealed and the following substituted therefor: s. 84, re-enacted

84.—(1) The Regional Council has, with respect to all land lying within a distance of 150 feet from any limit of a regional road, all the powers conferred on the council of a local municipality by sections 35, 35*a* and 35*b* of *The Planning Act*. Control of development R.S.O. 1970, c. 349

(2) In the event of conflict between a by-law passed under subsection 1 by the Regional Council and a by-law passed Conflict with local by-laws

under section 35 of *The Planning Act* or a predecessor of such section or under section 35*b* of the said Act by the council of the area municipality in which the land is situate, the by-law passed by the Regional Council prevails to the extent of such conflict, but in all other respects the by-law passed by the council of the area municipality remains in full force and effect.

s. 87 (2), re-enacted

21. Subsection 2 of section 87 of the said Act is repealed and the following substituted therefor:

Default

(2) If the Regional Corporation fails to make any payment as required by clause *b* of subsection 1, interest shall be payable thereon at the rate of 12 per cent per annum, or such lower rate as the council of the area municipality determines, from the date payment is due until it is made.

s. 100 (4), re-enacted

22. Subsection 4 of section 100 of the said Act is repealed and the following substituted therefor:

Default

(4) If the Regional Corporation fails to make any payment as required by subsection 3, interest shall be payable thereon at the rate of 12 per cent per annum, or such lower rate as the council of the area municipality determines, from the date payment is due until it is made.

s. 121 (2, 4, 5), re-enacted

23. Subsections 2, 4 and 5 of section 121 of the said Act are repealed and the following substituted therefor:

Idem

(2) Notwithstanding section 119, in any year the Regional Council may, before the adoption of estimates for the year, levy against each of the area municipalities a sum not exceeding 75 per cent of the levy made by the Regional Council in the preceding year against that area municipality and subsections 15 and 16 of section 119 apply to such a levy.

. . . . .

Levy by area municipality before estimates adopted

(4) Notwithstanding section 120, until the date determined by the Minister under subsection 5 of section 119, the council of an area municipality may in any year, by by-law passed before the adoption of the estimates for that year, levy in each of the merged areas in the area municipality, before the adoption of the estimates,

1975, c. 7

(*a*) on the residential and farm assessment as defined in clause *e* of subsection 1 of section 7 of *The Ontario Unconditional Grants Act, 1975*, a sum not exceeding 75 per cent of that which would be produced by applying to such assessment the total

rate for all purposes levied in the preceding year in the merged area on residential real property of public school supporters; and

(*b*) on the commercial assessment as defined in clause *c* of subsection 1 of section 1 of *The Ontario Unconditional Grants Act, 1975*, a sum not exceeding 75 per cent of that which would be produced by applying to such assessment the total rate for all purposes levied in the preceding year in the merged area on the real property of public school supporters used as the basis for computing business assessment.

Where assessment differs

(5) For the purposes of subsection 4, where for the year there is a different assessment generally of lands in a municipality the rates levied in the preceding year shall be adjusted by determining the rates that would have been levied in the preceding year had such assessment been used to determine the rates levied in the preceding year.

s. 134*a*, enacted

24. The said Act is amended by adding thereto the following section:

Temporary borrowing R.S.O. 1970, c. 332

134*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act*, whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council, pending the receipt of such moneys, may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time.

Application of proceeds

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement, such moneys shall be applied first in repayment of the advances.

s. 135 (9), amended

25.—(1) Subsection 9 of section 135 of the said Act is amended by striking out "at one time and" in the first line.

s. 135 (30), amended

(2) Subsection 30 of the said section 135 is amended by adding thereto the following clauses:

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

s. 135, amended

(3) The said section 135, as amended by the Statutes of Ontario, 1972, chapter 51, section 13, is further amended by adding thereto the following subsections:

Term debentures

(42) A money by-law may authorize the issue of debentures of which a portion shall be payable on a fixed date with interest payable annually or semi-annually, in which case such debentures shall be known as term debentures.

Amounts to be raised annually

(43) In respect of the term debentures, the by-law shall provide for raising,

(*a*) in each year of the currency of the term debentures, a sum sufficient to pay the interest on the term debentures; and

(*b*) in each year of the currency of the term debentures in which no other debentures issued under the same by-law become due and payable, a specific amount to form a retirement fund for the term debentures which, with interest at a rate not to exceed 5 per cent per annum compounded yearly, will be sufficient to pay the principal of the term debentures at maturity.

Retirement fund administration

(44) The retirement fund for the term debentures shall be administered by the sinking fund committee in all respects in the same manner as a sinking fund established under this section, and the provisions of subsections 21 to 41 of this section with respect to a sinking fund shall apply *mutatis mutandis* to such retirement fund.

All debentures rank equally

(45) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures.

s. 135*a*, enacted

26. The said Act is further amended by adding thereto the following section:

Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

135*a*. Notwithstanding any other provision of this Act,

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued

thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

interest ceases to accrue on date set for redemption

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof;

debentures to be redeemed may be purchased

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the Regional Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption;

notice to redeem to be sent by mail

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book;

notice to redeem to be published

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide;

where only portion of debentures payable on fixed date

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the Regional Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and

annual amounts payable to be approximately equal

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year during the currency of debentures issued under this section shall be approximately equal.

s. 143, amended

27. Section 143 of the said Act is amended by adding thereto the following subsections:

Registration of debenture as to principal and interest

(4) A debenture may be registered as to both principal and interest in which case the interest thereon shall be paid by cheque and the debenture may be referred to as a fully registered debenture.

When Debenture Registry Book may be maintained outside Canada

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate.

s. 154 (1), re-enacted

28. Subsection 1 of section 154 of the said Act, as re-enacted by the Statutes of Ontario, 1972, chapter 51, section 14 and amended by 1973, chapter 158, section 6, and 1974, chapter 117, section 10, is repealed and the following substituted therefor:

Application of R.S.O. 1970, c. 284

(1) Section 5, Parts XV, XVI, XVII and XXI, sections 248*a*, 249 and 254, subsection 3 of section 308 and section 348, paragraphs 3, 10, 11, 12 and 24 of section 352, paragraph 61 of subsection 1 of section 354 and section 394 of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation.

s. 156, amended

29. Section 156 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 158, section 7, is further amended by striking out "and may make annual grants for a period not exceeding five years, and upon the expiration of any such period may make similar grants for a further period not exceeding five years" in the fifth, sixth and seventh lines.

s. 157, repealed

30. Section 157 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 11, is repealed.

PART III

THE REGIONAL MUNICIPALITY OF YORK

s. 3 (3), amended

31. Subsection 3 of section 3 of *The Regional Municipality of York Act*, being chapter 408 of the Revised Statutes of Ontario, 1970, as re-enacted by the Statutes of Ontario,

1972, chapter 78, section 2, is amended by striking out "and the Municipal Board may divide or redivide any area municipality into wards in accordance with the provisions of section 13 of *The Municipal Act*" in the fifteenth, sixteenth, seventeenth and eighteenth lines.

32.—(1) The said section 3, as amended by the Statutes of Ontario, 1972, chapter 78, section 2, is further amended by adding thereto the following subsection: s. 3, amended

(3*a*) Notwithstanding the provisions of this or any other Act, upon the application of an area municipality authorized by a by-law of the council thereof, the Municipal Board may, by order, Alteration of wards, etc., by O.M.B.

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; or

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area municipality on the Regional Council as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of the council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

(2) The said section 3 is further amended by adding thereto the following subsection: s. 3, amended

(3*b*) The Minister may, by order, in the year 1976, notwithstanding the provisions of this or any other Act, on the recommendation of the council of the Town of Markham expressed by resolution, 1976 election, Markham

(*a*) provide for the system of election of persons as members of the council of the said Town;

(*b*) provide for the total number of persons to be elected as members of the council of the Town; and

1972, c. 95

(*c*) vary the date specified in section 17 of *The Municipal Elections Act, 1972*,

and provisions made under clauses *a* and *b* shall remain in effect until varied by the Municipal Board.

s. 12 (4), amended

33. Subsection 4 of section 12 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty".

s. 25 (3), amended

34. Subsection 3 of section 25 of the said Act is amended by striking out "as an auditor" in the eighth and ninth lines and inserting in lieu thereof "for services within his professional capacity".

s. 77 (1), amended

35.—(1) Subsection 1 of section 77 of the said Act is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines.

s. 77, amended

(2) The said section 77 is amended by adding thereto the following subsections:

Regional Council may approve by-law in whole or in part

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part and, where part of a by-law is approved only, that part only shall become operative.

Withdrawal of approval

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice.

s. 82, re-enacted

36. Section 82 of the said Act is repealed and the following substituted therefor:

Control of development

82.—(1) The Regional Council has, with respect to all land lying within a distance of 150 feet from any limit of a regional road, all the powers conferred on the council of a local municipality by sections 35, 35*a* and 35*b* of *The Planning Act*.

R.S.O. 1970, c. 349

Conflict with local by-laws

(2) In the event of conflict between a by-law passed under subsection 1 by the Regional Council and a by-law passed

under section 35 of *The Planning Act* or a predecessor of such section or under section 35*b* of the said Act by the council of the area municipality in which the land is situate, the by-law passed by the Regional Council prevails to the extent of such conflict, but in all other respects the by-law passed by the council of the area municipality remains in full force and effect.

37. Subsections 2, 4 and 5 of section 116 of the said Act are repealed and the following substituted therefor: s. 117 (2, 4, 5), re-enacted

(2) Notwithstanding section 114, in any year the Regional Council may, before the adoption of estimates for the year, levy against each of the area municipalities a sum not exceeding 75 per cent of the levy made by the Regional Council in the preceding year against that area municipality and subsections 15 and 16 of section 114 apply to such a levy. Idem

. . . . .

(4) Notwithstanding section 115, until the date determined by the Minister under subsection 5 of section 114, the council of an area municipality may in any year by by-law passed before the adoption of the estimates for that year, levy in each of the merged areas in the area municipality, before the adoption of the estimates, Levy by area municipality before estimates adopted

(*a*) on the residential and farm assessment as defined in clause *e* of subsection 1 of section 7 of *The Ontario Unconditional Grants Act, 1975*, a sum not exceeding 75 per cent of that which would be produced by applying to such assessment the total rate for all purposes levied in the preceding year in the merged area on residential real property of public school supporters; and 1975, c. 7

(*b*) on the commercial assessment as defined in clause *c* of subsection 1 of section 1 of *The Ontario Unconditional Grants Act, 1975*, a sum not exceeding 75 per cent of that which would be produced by applying to such assessment the total rate for all purposes levied in the preceding year in the merged area on the real property of public school supporters used as the basis for computing business assessment.

Where assessment differs

(5) For the purposes of subsection 4, where for the year there is a different assessment generally of lands in a municipality the rates levied in the preceding year shall be adjusted by determining the rates that would have been levied in the preceding year had such assessment been used to determine the rates levied in the preceding year.

s. 129*a*, enacted

38. The said Act is amended by adding thereto the following section:

Temporary borrowing R.S.O. 1970, c. 332

129*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act*, whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council, pending the receipt of any such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time.

Application of proceeds

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement such moneys shall be applied first in repayment of the advances.

s. 130 (9), amended

39.—(1) Subsection 9 of section 130 of the said Act is amended by striking out "at one time and" in the first line.

s. 130 (30), amended

(2) Subsection 30 of the said section 130 is amended by adding thereto the following clauses:

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

s. 130, amended

(3) The said section 130, as amended by the Statutes of Ontario, 1972, chapter 78, section 17, is further amended by adding thereto the following subsections:

Term debentures

(42) A money by-law may authorize the issue of debentures of which a portion shall be payable on a fixed date with interest payable annually or semi-annually, in which case such debentures shall be known as term debentures.

(43) In respect of the term debentures, the by-law shall provide for raising, Amounts to be raised annually

(*a*) in each year of the currency of the term debentures, a sum sufficient to pay the interest on the term debentures; and

(*b*) in each year of the currency of the term debentures in which no other debentures issued under the same by-law become due and payable, a specific amount to form a retirement fund for the term debentures, which with interest at a rate not to exceed 5 per cent per annum compounded yearly, will be sufficient to pay the principal of the term debentures at maturity.

(44) The retirement fund for the term debentures shall be administered by the sinking fund committee in all respects in the same manner as a sinking fund established under this section, and the provisions of subsections 21 to 41 of this section with respect to a sinking fund shall apply *mutatis mutandis* to such retirement fund. Retirement fund administration

(45) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures. All debentures rank equally

40. The said Act is further amended by adding thereto the following section: s. 130*a*, enacted

130*a*. Notwithstanding any other provision of this Act, Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, interest ceases to accrue on date set for redemption

after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof;

debentures to be redeemed may be purchased

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the Regional Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption;

notice to redeem to be sent by mail

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book;

notice to redeem to be published

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide;

where only portion of debentures payable on fixed date

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the Regional Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and

annual amounts payable to be approximately equal

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year during the currency of debentures issued under this section shall be approximately equal.

s. 138, amended

41. Section 138 of the said Act is amended by adding thereto the following subsections:

Registration of debenture as to principal and interest

(4) A debenture may be registered as to both principal and interest in which case the interest thereon shall be paid by cheque and the debenture may be referred to as a fully registered debenture.

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate. When Debenture Registry Book may be maintained outside Canada

42. Subsection 1 of section 149 of the said Act, as amended by the Statutes of Ontario, 1972, chapter 153, section 1, 1973, chapter 156, section 7 and 1974, chapter 117, section 17, is repealed and the following substituted therefor: s. 149 (1), re-enacted

(1) Section 5, Parts XV, XVI, XVII and XXI, sections 246, 248*a*, 249 and 254, subsection 3 of section 308, section 348 and paragraphs 3, 10, 11, 12 and 24 of section 352 of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation. Application of R.S.O. 1970, c. 284

43. Section 151 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 156, section 8, is further amended by striking out "and may make annual grants for a period not exceeding five years, and upon the expiration of any such period may make similar grants for a further period not exceeding five years" in the fifth, sixth and seventh lines. s. 151, amended

44. Section 152 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 18, is repealed. s. 152, repealed

PART IV

THE REGIONAL MUNICIPALITY OF WATERLOO

45. Section 3 of *The Regional Municipality of Waterloo Act, 1972*, being chapter 105, is amended by adding thereto the following subsection: s. 3, amended

(3*a*) Notwithstanding the provisions of this or any other Act, upon the application of an area municipality authorized by a by-law of the council thereof, the Municipal Board may, by order, Alteration of wards, etc., by O.M.B.

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; or

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area municipality on the Regional Council as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of the council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

s. 13 (4), amended

46. Subsection 4 of section 13 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty".

s. 26 (3), amended

47. Subsection 3 of section 26 of the said Act is amended by striking out "as an auditor" in the ninth and tenth lines and inserting in lieu thereof "for services within his professional capacity".

s. 27 (4, 5), re-enacted

48. Subsections 4 and 5 of section 27 of the said Act are repealed and the following substituted therefor:

Sick leave credits

(4) Where the Regional Corporation or a local board thereof, before the 1st day of July, 1976, employs, or thereafter is required to employ a person theretofore employed by a local municipality or a local board thereof within the Regional Area or by the County of Waterloo or a local board thereof, the employee shall be deemed to remain an employee of the municipality or local board thereof until the Regional Corporation or local board thereof has established a sick leave credit plan for its employees, and the employees are entitled to receive such benefits from the Regional Corporation, whereupon the Regional Corporation or local board thereof shall place to the credit of the employee the sick leave credits standing to his credit in the plan of the municipality or local board thereof.

Holidays

(5) Where the Regional Corporation or a local board thereof, before the 1st day of July, 1976, employs or thereafter is required to employ a person theretofore employed by a local municipality or a local board thereof within the Regional Area or by the County of Waterloo or a local board

thereof or a roads commission, the Regional Corporation or local board thereof shall, during the first year of his employment by the Regional Corporation or local board thereof, provide for such employee's holidays with pay equivalent to those to which he would have been entitled if he had remained in the employment of the municipality or local board thereof.

s. 80 (1), amended

49.—(1) Subsection 1 of section 80 of the said Act is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines.

s. 80, amended

(2) The said section 80 is amended by adding thereto the following subsections:

Regional Council may approve by-law in whole or in part

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part and, where part of a by-law is approved only, that part only shall become operative.

Withdrawal of approval

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice.

s. 85, re-enacted

50. Section 85 of the said Act is repealed and the following substituted therefor:

Control of development

85.—(1) The Regional Council has, with respect to all land lying within a distance of 150 feet from any limit of a regional road, all the powers conferred on the council of a local municipality by sections 35, 35*a* and 35*b* of *The Planning Act*.

R.S.O. 1970, c. 349

Conflict with local by-laws

(2) In the event of conflict between a by-law passed under subsection 1 by the Regional Council and a by-law passed under section 35 of *The Planning Act* or a predecessor of such section, or under section 35*b* of the said Act by the council of the area municipality in which the land is situate, the by-law passed by the Regional Council prevails to the extent of such conflict, but in all other respects the by-law passed by the council of the area municipality remains in full force and effect.

s. 124 (2, 4, 5), re-enacted

51. Subsections 2, 4 and 5 of section 124 of the said Act are repealed and the following substituted therefor:

Idem

(2) Notwithstanding section 122, in any year the Regional Council may, before the adoption of estimates for the year, levy against each of the area municipalities a sum not

exceeding 75 per cent of the levy made by the Regional Council in the preceding year against that area municipality and subsections 15 and 16 of section 122 apply to such a levy.

. . . . .

Levy by area municipality before estimates adopted

(4) Notwithstanding section 123, until the date determined by the Minister under subsection 5 of section 122, the council of an area municipality may in any year by by-law passed before the adoption of the estimates for that year, levy in each of the merged areas in the area municipality, before the adoption of the estimates,

1975, c. 7

(*a*) on the residential and farm assessment as defined in clause *e* of subsection 1 of section 7 of *The Ontario Unconditional Grants Act, 1975*, a sum not exceeding 75 per cent of that which would be produced by applying to such assessment the total rate for all purposes levied in the preceding year in the merged area on residential real property of public school supporters; and

(*b*) on the commercial assessment as defined in clause *c* of subsection 1 of section 1 of *The Ontario Unconditional Grants Act, 1975*, a sum not exceeding 75 per cent of that which would be produced by applying to such assessment the total rate for all purposes levied in the preceding year in the merged area on the real property of public school supporters used as the basis for computing business assessment.

Where assessment differs

(5) For the purposes of subsection 4, where for the year there is a different assessment generally of lands in a municipality the rates levied in the preceding year shall be adjusted by determining the rates that would have been levied in the preceding year had such assessment been used to determine the rates levied in the preceding year.

s. 134*a*, enacted

52. The said Act is amended by adding thereto the following section:

Temporary borrowing
R.S.O. 1970, c. 332

134*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act* whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council pending the receipt of such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time.

Application of proceeds

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the

agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement such moneys shall be applied first in repayment of the advances.

53.—(1) Subsection 11 of section 138 of the said Act is amended by striking out "at one time and" in the first line. s. 138 (11), amended

(2) Subsection 32 of the said section 138 is amended by adding thereto the following clauses: s. 138 (32), amended

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

(3) The said section 138 is amended by adding thereto the following subsections: s. 138, amended

(44) A money by-law may authorize the issue of debentures of which a portion shall be payable on a fixed date with interest payable annually or semi-annually, in which case such debentures shall be known as term debentures. Term debentures

(45) In respect of the term debentures, the by-law shall provide for raising, Amounts to be raised annually

(*a*) in each year of the currency of the term debentures, a sum sufficient to pay the interest on the term debentures; and

(*b*) in each year of the currency of the term debentures in which no other debentures issued under the same by-law become due and payable, a specific amount to form a retirement fund for the term debentures which, with interest at a rate not to exceed 5 per cent per annum compounded yearly, will be sufficient to pay the principal of the term debentures at maturity.

(46) The retirement fund for the term debentures shall be administered by the sinking fund committee in all respects in the same manner as a sinking fund established under this section, and the provisions of subsections 23 to 43 of this section with respect to a sinking fund shall apply *mutatis mutandis* to such retirement fund. Retirement fund administration

All debentures rank equally

(47) Notwithstanding the provision of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures.

s. 138*a*, enacted

54. The said Act is further amended by adding thereto the following section:

Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

138*a*. Notwithstanding any other provision of this Act,

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

interest ceases to accrue on date set for redemption

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof;

debentures to be redeemed may be purchased

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the Regional Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption;

notice to redeem to be sent by mail

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be

registered at the address shown in the Debenture Registry Book;

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide; notice to redeem to be published

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the Regional Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and where only portion of debentures payable on fixed date

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year during the currency of debentures issued under this section shall be approximately equal. annual amounts payable to be approximately equal

55. Section 146 of the said Act is amended by adding thereto the following subsections: s. 146, amended

(4) A debenture may be registered as to both principal and interest in which case the interest thereon shall be paid by cheque and the debenture may be referred to as a fully registered debenture. Registration of debenture as to principal and interest

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate. Where Debenture Registry Book may be maintained outside Canada

56. Subsection 1 of section 158 of the said Act, as amended by the Statutes of Ontario, 1972, chapter 164, section 3, 1973, chapter 137, section 9 and 1974, chapter 117, section 23, is repealed and the following substituted therefor: s. 158 (1), re-enacted

(1) Section 5, Parts XV, XVI, XVII and XXI, sections 246, 248*a*, 249 and 254, subsection 3 of section 308, section 348 and paragraphs 3, 10, 11, 12 and 24 of section 352 of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation. Application of R.S.O. 1970, c. 284

s. 160, amended

57. Section 160 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 137, section 10, is further amended by striking out "and may make annual grants for a period not exceeding five years, and upon the expiration of any such period may make similar grants for a further period not exceeding five years" in the fifth, sixth, seventh and eighth lines.

s. 161, repealed

58. Section 161 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 24, is repealed.

PART V

THE REGIONAL MUNICIPALITY OF SUDBURY

s. 3, amended

59. Section 3 of *The Regional Municipality of Sudbury Act, 1972*, being chapter 104, as amended by the Statutes of Ontario, 1972, chapter 167, section 1, 1974, chapter 54, section 1 and 1975, chapter 46, section 12, is further amended by adding thereto the following subsection:

Alteration of wards, etc., by O.M.B.

(3*a*) Notwithstanding the provisions of this or any other Act, upon the application of an area municipality authorized by a by-law of the council thereof, the Municipal Board may, by order,

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect;

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area municipality on the Regional Council as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of the council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

60. Subsection 4 of section 13 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty". s. 13 (4), amended

61. Subsection 3 of section 26 of the said Act is amended by striking out "as an auditor" in the ninth line and inserting in lieu thereof "for services within his professional capacity". s. 26 (3), amended

62.—(1) Subsection 1 of section 65 of the said Act is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines. s. 65 (1), amended

(2) The said section 65 is amended by adding thereto the following subsections: s. 65, amended

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part and, where part of a by-law is approved only, that part only shall become operative. Regional Council may approve by-law in whole or in part

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice. Withdrawal of approval

63. Subsections 2, 4 and 5 of section 83 of the said Act are repealed and the following substituted therefor: s. 83 (2, 4, 5), re-enacted

(2) Notwithstanding section 81, in any year, the Regional Council may, before the adoption of estimates for the year, levy against each of the area municipalities a sum not exceeding 75 per cent of the levy made by the Regional Council in the preceding year against that area municipality and subsections 15 and 16 of section 81 apply to such a levy. Idem

. . . . .

(4) Notwithstanding section 82, until the date determined by the Minister under subsection 5 of section 81, the council of an area municipality may in any year by by-law passed before the adoption of the estimates for that year, levy in each of the merged areas in the area municipality, before the adoption of the estimates, Levy by area municipality before estimates adopted

(*a*) on the residential and farm assessment as defined in clause *e* of subsection 1 of section 7 of *The Ontario Unconditional Grants Act, 1975*, a sum not exceeding 75 per cent of that which would be produced by applying to such assessment the total 1975, c. 7

rate for all purposes levied in the preceding year in the merged area on residential real property of public school supporters; and

(*b*) on the commercial assessment as defined in clause *c* of subsection 1 of section 1 of *The Ontario Unconditional Grants Act, 1975*, a sum not exceeding 75 per cent of that which would be produced by applying to such assessment the total rate for all purposes levied in the preceding year in the merged area on the real property of public school supporters used as the basis for computing business assessment.

Where assessment differs

(5) For the purposes of subsection 4, where for the year there is a different assessment generally of lands in a municipality the rates levied in the preceding year shall be adjusted by determining the rates that would have been levied in the preceding year had such assessment been used to determine the rates levied in the preceding year.

s. 94*a*, enacted

64. The said Act is amended by adding thereto the following section:

Temporary borrowing
R.S.O. 1970, c. 332

94*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act* whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council, pending the receipt of such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time.

Application of proceeds

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement, such moneys shall be applied first in repayment of the advances.

s. 95 (11), amended

65.—(1) Subsection 11 of section 95 of the said Act is amended by striking out "at one time and" in the first line.

s. 95 (32), amended

(2) Subsection 32 of the said section 95 is amended by adding thereto the following clauses:

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

(3) The said section 95 is amended by adding thereto the following subsections: s. 95, amended

(44) A money by-law may authorize the issue of debentures of which a portion shall be payable on a fixed date with interest payable annually or semi-annually, in which case such debentures shall be known as term debentures. Term debentures

(45) In respect of the term debentures, the by-law shall provide for raising, Amounts to be raised annually

(*a*) in each year of the currency of the term debentures, a sum sufficient to pay the interest on the term debentures; and

(*b*) in each year of the currency of the term debentures in which no other debentures issued under the same by-law become due and payable, a specific amount to form a retirement fund for the term debentures which, with interest at a rate not to exceed 5 per cent per annum compounded yearly, will be sufficient to pay the principal of the term debentures at maturity.

(46) The retirement fund for the term debentures shall be administered by the sinking fund committee in all respects in the same manner as a sinking fund established under this section, and the provisions of subsections 23 to 43 of this section with respect to a sinking fund shall apply *mutatis mutandis* to such retirement fund. Retirement fund administration

(47) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures. All debentures rank equally

66. The said Act is further amended by adding thereto the following section: s. 95*a*, enacted

95*a*. Notwithstanding any provision of this Act, Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to

redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

interest ceases to accrue on date set for redemption

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof;

debentures to be redeemed may be purchased

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the Regional Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption;

notice to redeem to be sent by mail

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book;

notice to redeem to be published

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide;

where only portion of debentures payable on fixed date

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the Regional Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and

annual amounts payable to be approximately equal

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year

during the currency of debentures issued under this section shall be approximately equal.

67. Section 103 of the said Act is amended by adding thereto the following subsections: s. 103, amended

(4) A debenture may be registered as to both principal and interest in which case the interest thereon shall be paid by cheque and the debenture may be referred to as a fully registered debenture. Registration of debenture as to principal and interest

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate. When Debenture Registry Book may be maintained outside Canada

68. Subsection 1 of section 115 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 139, section 11, and 1974, chapter 117, section 31, is repealed and the following substituted therefor: s. 115 (1), re-enacted

(1) Section 5, Parts XV, XVI, XVII and XXI, sections 248*a*, 249 and 254, subsection 3 of section 308, section 348 and paragraphs 3, 10, 11, 12 and 24 of section 352 of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation. Application of R.S.O. 1970, c. 284

69. Section 117 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 32, is amended by striking out "and may make annual grants for a period not exceeding five years, and upon the expiration of any such period may make similar grants for a further period not exceeding five years" in the fifth, sixth, seventh and eighth lines. s. 117, amended

70. Section 118 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 33, is repealed. s. 118, repealed

PART VI

THE REGIONAL MUNICIPALITY OF PEEL

71. Section 3 of *The Regional Municipality of Peel Act, 1973*, being chapter 60, is amended by adding thereto the following subsections: s. 3, amended

Alteration of wards, etc., by O.M.B.

(3*a*) Notwithstanding the provisions of this or any other Act, upon the application of an area municipality authorized by a by-law of the council thereof, the Municipal Board may, by order,

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; and

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area municipality on the Regional Council as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

s. 13 (4), amended

72. Subsection 4 of section 13 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty".

s. 26 (3), re-enacted

73. Subsection 3 of section 26 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 35, is repealed and the following substituted therefor:

Disqualification of auditors

(3) No person shall be appointed as an auditor of the Regional Corporation who is or during the preceding year was a member of the Regional Council or of the council of an area municipality or of any local board, the accounts and transactions of which it would as auditor be his duty to audit, or who has or during the preceding year had any direct or indirect interest in any contract with the Regional Corporation or an area municipality or any such local board, or any employment with any of them other than for services within his professional capacity.

74.—(1) Subsection 1 of section 41 of the said Act is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines. s. 41 (1), amended

(2) The said section 41 is amended by adding thereto the following subsections: s. 41, amended

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part and, where part of a by-law is approved only, that part only shall become operative. Regional Council may approve by-law in whole or in part

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice. Withdrawal of approval

75. Section 46 of the said Act is repealed and the following substituted therefor: s. 46, re-enacted

46.—(1) The Regional Council has, with respect to all land lying within a distance of 150 feet from any limit of a regional road, all the powers conferred on the council of a local municipality by sections 35, 35*a* and 35*b* of *The Planning Act*. Control of development; R.S.O. 1970, c. 349

(2) In the event of conflict between a by-law passed under subsection 1 by the Regional Council and a by-law passed under section 35 of *The Planning Act* or a predecessor of such section or under section 35*b* of the said Act by the council of the area municipality in which the land is situate, the by-law passed by the Regional Council prevails to the extent of such conflict, but in all other respects the by-law passed by the council of the area municipality remains in full force and effect. Conflict with by-law of local municipality

76. Subsections 2 and 4 of section 83 of the said Act are repealed and the following substituted therefor: s. 83 (2, 4), re-enacted

(2) Notwithstanding section 81, in any year, the Regional Council may, before the adoption of estimates for that year, levy against each of the area municipalities a sum not exceeding 75 per cent of the levy made by the Regional Council in the preceding year against that area municipality and subsections 14 and 15 of section 81 apply to such levy. Idem

. . . . .

Levy by area municipality before estimates adopted

(4) Notwithstanding section 82, the council of an area municipality may in any year before the adoption of the estimates for that year levy in each of the merged areas in the area municipality,

1975, c. 7

(*a*) on the residential and farm assessment as defined in clause *e* of subsection 1 of section 7 of *The Ontario Unconditional Grants Act, 1975*, a sum not exceeding 75 per cent of that which would be produced by applying to such assessment the total rate for all purposes levied in the preceding year in the merged area on residential real property of public school supporters; and

(*b*) on the commercial assessment as defined in clause *c* of subsection 1 of section 1 of *The Ontario Unconditional Grants Act, 1975*, a sum not exceeding 75 per cent of that which would be produced by applying to such assessment the total rate for all purposes levied in the preceding year in the merged area on the real property of public school supporters used as the basis for computing business assessment.

Where assessment differs

(4*a*) For the purposes of subsection 4, where for the year there is a different assessment generally of lands in a municipality the rates levied in the preceding year shall be adjusted by determining the rates that would have been levied in the preceding year had such assessment been used to determine the rates levied in the preceding year.

s. 91*a*, enacted

77. The said Act is amended by adding thereto the following section:

Temporary borrowing

R.S.O. 1970, c. 332

91*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act* whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council, pending the receipt of such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time.

Application of proceeds

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement such moneys shall be applied first in repayment of the advances.

78.—(1) Subsection 11 of section 96 of the said Act is amended by striking out "at one time and" in the first line. s. 96 (11), amended

(2) Subsection 32 of the said section 96 is amended by adding thereto the following clauses: s. 96 (32), amended

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

(3) Subsection 46 of the said section 96 is amended by striking out "25 to 41" in the fourth line and inserting in lieu thereof "23 to 43". s. 96 (46), amended

(4) The said section 96 is amended by adding thereto the following subsection: s. 96, amended

(47) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures. All debentures rank equally

79. The said Act is further amended by adding thereto the following section: s. 96*a*, enacted

96*a*. Notwithstanding any other provision of this Act, Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof; Interest ceases to accrue on date set for redemption

debentures to be redeemed may be purchased

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the Regional Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption;

notice to redeem to be sent by mail

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book;

notice to redeem to be published

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide;

where only portion of debentures payable on fixed date

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the Regional Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and

annual amounts payable to be approximately equal

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year during the currency of debentures issued under this section shall be approximately equal.

s. 104, amended

80. Section 104 of the said Act is amended by adding thereto the following subsection:

When Debenture Registry Book may be maintained outside Canada

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate.

81. Subsection 1 of section 115 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 161, section 6, and 1974, chapter 117, section 37, is repealed and the following substituted therefor: s. 115 (1), re-enacted

(1) Sections 5, 217, 223, 224, 229, 231, 232, 233 and 235, subsections 1, 4 and 5 of section 237, sections 238, 239, 245, 248*a*, 249, 250, 254, subsection 3 of section 308, section 348 and paragraphs 3, 9, 10, 11, 12, 24, 63, 64, 65, 66 and 67 of section 352 and Parts XV, XVI, XVII and XXI of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation. Application of R.S.O. 1970, c. 284

82. Subsection 1 of section 117 of the said Act is amended by striking out "and may make annual grants for a period not exceeding five years" in the fourth and fifth lines. s. 117 (1), amended

83. Section 118 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 38, is repealed. s. 118, repealed

PART VII

THE REGIONAL MUNICIPALITY OF HALTON

84. Clause *a* of subsection 1 of section 2 of *The Regional Municipality of Halton Act, 1973*, being chapter 70, is amended by inserting after "municipality" in the second line "successor to The Corporation of the Town of Burlington". s. 2 (1) (*a*), amended

85. Section 3 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 162, section 2, is further amended by adding thereto the following subsection: s. 3, amended

(3*a*) Upon the application of an area municipality authorized by a by-law of the council thereof, the Municipal Board may, by order, Alteration of wards, etc., by O.M.B.

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; and

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area municipality on the Regional Council as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

s. 13 (4), amended

86. Subsection 4 of section 13 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty".

s. 26 (3), amended

87. Subsection 3 of section 26 of the said Act is amended by striking out "as an auditor" in the ninth line and inserting in lieu thereof "for services within his professional capacity".

s. 41 (1), amended

88.—(1) Subsection 1 of section 41 of the said Act is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines.

s. 41, amended

(2) The said section 41 is amended by adding thereto the following subsections:

Regional Council may approve by-law in whole or in part

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part and, where part of a by-law is approved only, that part only shall become operative.

Withdrawal of approval

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice.

s. 46, re-enacted

89. Section 46 of the said Act is repealed and the following substituted therefor:

Control of development

46.—(1) The Regional Council has, with respect to all land lying within a distance of 150 feet from any limit of a regional road, all the powers conferred on the council of a local municipality by sections 35, 35*a* and 35*b* of *The Planning Act*.

R.S.O. 1970, c. 349

Conflict with by-law of local municipality

(2) In the event of conflict between a by-law passed under subsection 1 by the Regional Council and a by-law passed

under section 35 of *The Planning Act* or a predecessor of such section or under section 35*b* of the said Act by the council of the area municipality in which the land is situate, the by-law passed by the Regional Council prevails to the extent of such conflict, but in all other respects the by-law passed by the council of the area municipality remains in full force and effect.

90. Subsections 2 and 4 of section 83 of the said Act are repealed and the following substituted therefor: s. 83 (2, 4), re-enacted

(2) Notwithstanding section 81, in any year, the Regional Council may, before the adoption of estimates for that year, levy against each of the area municipalities a sum not exceeding 75 per cent of the levy made by the Regional Council in the preceding year against that area municipality and subsections 14 and 15 of section 81 apply to such a levy. Idem

. . . . .

(4) Notwithstanding section 82, the council of an area municipality may in any year before the adoption of the estimates for that year, levy in each of the merged areas in the area municipality, Levy by area municipality before estimates adopted

(*a*) on the residential and farm assessment as defined in clause *e* of subsection 1 of section 7 of *The Ontario Unconditional Grants Act, 1975*, a sum not exceeding 75 per cent of that which would be produced by applying to such assessment the total rate for all purposes levied in the preceding year in the merged area on residential real property of public school supporters; and 1975, c. 7

(*b*) on the commercial assessment as defined in clause *c* of subsection 1 of section 1 of *The Ontario Unconditional Grants Act, 1975*, a sum not exceeding 75 per cent of that which would be produced by applying to such assessment the total rate for all purposes levied in the preceding year in the merged area on the real property of public school supporters used as the basis for computing business assessment.

(4*a*) For the purposes of subsection 4, where for the year there is a different assessment generally of lands in a municipality the rates levied in the preceding year shall be adjusted by determining the rates that would have been levied in the preceding year had such assessment been used to determine the rates levied in the preceding year. Where assessment differs

s. 91*a*, enacted

91. The said Act is amended by adding thereto the following section:

Temporary borrowing
R.S.O. 1970, c. 332

91*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act*, whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council pending the receipt of any such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time.

Application of proceeds

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement, such moneys shall be applied first in repayment of the advances.

s. 96 (11), amended

92.—(1) Subsection 11 of section 96 of the said Act is amended by striking out "at one time and" in the first line.

s. 96 (32), amended

(2) Subsection 32 of the said section 96 is amended by adding thereto the following clauses:

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

s. 96 (46), amended

(3) Subsection 46 of the said section 96 is amended by striking out "25 to 41" in the fourth line and inserting in lieu thereof "23 to 43".

s. 96, amended

(4) The said section 96 is amended by adding thereto the following subsection:

All debentures rank equally

(47) Notwithstanding the provisions of any general or special Act or any difference in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures.

s. 96*a*, enacted

93. The said Act is further amended by adding thereto the following section.

96*a*. Notwithstanding any other provisions of this Act,

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section; Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof; interest ceases to accrue on date set for redemption

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the Regional Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption; debentures to be redeemed may be purchased

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book; notice to redeem to be sent by mail

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide; notice to redeem to be published

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the Regional Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and where only portion of debentures payable on fixed date

annual amounts payable to be approximately equal

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year during the currency of debentures issued under this section shall be approximately equal.

s. 104, amended

94. Section 104 of the said Act is amended by adding thereto the following subsection:

When Debenture Registry Book may be maintained outside Canada

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate.

s. 115 (1), re-enacted

95. Subsection 1 of section 115 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 162, section 8, and 1974, chapter 117, section 42, is repealed and the following substituted therefor:

Application of R.S.O. 1970, c. 284

(1) Sections 5, 217, 223, 224, 229, 231, 232, 233 and 235, subsections 1, 4 and 5 of section 237, sections 238, 239, 245, 248*a*, 249, 250, 254, subsection 3 of section 308 and section 348 and paragraphs 3, 9, 10, 11, 12, 24, 44, 63, 64, 65, 66 and 67 of section 352 and Parts XV, XVI, XVII and XXI of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation.

s. 117 (1), amended

96. Subsection 1 of section 117 of the said Act is amended by striking out "and may make annual grants for a period not exceeding five years, and upon the expiration of any such period may make similar grants for a further period not exceeding five years" in the fourth, fifth, sixth and seventh lines.

s. 118, repealed

97. Section 118 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 43, is repealed.

PART VIII

THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

s. 3, amended

98.—(1) Section 3 of *The Regional Municipality of Hamilton-Wentworth Act, 1973*, being chapter 74, is amended by adding thereto the following subsection:

Alteration of wards, etc., by O.M.B.

(3*a*) Upon the application of an area municipality authorized by a by-law of the council thereof, the Municipal Board may, by order,

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; and

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area municipality on the Regional Council as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of the council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

(2) The said section 3 is further amended by adding thereto the following subsection: s. 3, amended

(3*b*) The Minister may, by order, in the year 1976, notwithstanding the provisions of this or any other Act, on the recommendation of the council of the Township of Glanbrook expressed by resolution, 1976 election, Glanbrook

(*a*) provide for the system of election of persons as members of the council of the said Township;

(*b*) provide for the method of election of the representative of the Township to the Regional Council;

(*c*) provide for the total number of persons to be elected as members of the council of the Township; and

(*d*) vary the date specified in section 17 of *The Municipal Elections Act, 1972*, 1972, c. 95

and provisions made under clauses *a*, *b*, and *c* shall remain in effect until varied by the Municipal Board.

s. 13 (4), amended

99. Subsection 4 of section 13 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty".

s. 26 (3), amended

100. Subsection 3 of section 26 of the said Act is amended by striking out "as an auditor" in the ninth and tenth lines and inserting in lieu thereof "for services within his professional capacity".

s. 41 (1), amended

101.—(1) Subsection 1 of section 41 of the said Act is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines.

s. 41, amended

(2) The said section 41 is amended by adding thereto the following subsections:

Regional Council may approve by-law in whole or in part

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part and, where part of a by-law is approved only, that part only shall become operative.

Withdrawal of approval

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice.

s. 46, re-enacted

102. Section 46 of the said Act is repealed and the following substituted therefor:

Control of development

46.—(1) The Regional Council has, with respect to all land lying within a distance of 150 feet from any limit of a regional road, all the powers conferred on the council of a local municipality by sections 35, 35*a* and 35*b* of *The Planning Act*.

R.S.O. 1970, c. 349

Conflict with by-law of local municipality

(2) In the event of conflict between a by-law passed under subsection 1 by the Regional Council and a by-law passed under section 35 of *The Planning Act* or a predecessor of such section or under section 35*b* of the said Act by the council of the area municipality in which the land is situate, the by-law passed by the Regional Council prevails to the extent of such conflict, but in all other respects the by-law passed by the council of the area municipality remains in full force and effect.

s. 83 (2, 4), re-enacted

103. Subsections 2 and 4 of section 83 of the said Act are repealed and the following substituted therefor:

Idem

(2) Notwithstanding section 81, in any year, the Regional Council may, before the adoption of estimates for that year,

levy against each of the area municipalities a sum not exceeding 75 per cent of the levy made by the Regional Council in the preceding year against that area municipality and subsections 14 and 15 of section 81 apply to such a levy.

. . . . .

Levy by area municipality before estimates adopted

(4) Notwithstanding section 82, the council of an area municipality may in any year before the adoption of the estimates for that year, levy in each of the merged areas in the area municipality,

(*a*) on the residential and farm assessment as defined in clause *e* of subsection 1 of section 7 of *The Ontario Unconditional Grants Act, 1975*, a sum not exceeding 75 per cent of that which would be produced by applying to such assessment the total rate for all purposes levied in the preceding year in the merged area on residential real property of public school supporters; and 1975, c. 7

(*b*) on the commercial assessment as defined in clause *c* of subsection 1 of section 1 of *The Ontario Unconditional Grants Act, 1975*, a sum not exceeding 75 per cent of that which would be produced by applying to such assessment the total rate for all purposes levied in the preceding year in the merged area on the real property of public school supporters used as the basis for computing business assessment.

Where assessment differs

(4*a*) For the purposes of subsection 4, where for the year there is a different assessment generally of lands in a municipality the rates levied in the preceding year shall be adjusted by determining the rates that would have been levied in the preceding year had such assessment been used to determine the rates levied in the preceding year.

104. The said Act is amended by adding thereto the following section: s. 91*a*, enacted

Temporary borrowing R.S.O. 1970, c. 332

91*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act* whereby the Regional Corporation is entitled to receive moneys from the Crown, the Region Council pending the receipt of such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time.

Application of proceeds

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the

agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement such moneys shall be applied first in repayment of the advances.

s. 96 (11), amended

105.—(1) Subsection 11 of section 96 of the said Act is amended by striking out "at one time and" in the first line.

s. 96 (32), amended

(2) Subsection 32 of the said section 96 is amended by adding thereto the following clauses:

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

s. 96 (46), amended

(3) Subsection 46 of the said section 96 is amended by striking out "25 to 41" in the fourth line and inserting in lieu thereof "23 to 43".

s. 96, amended

(4) The said section 96 is amended by adding thereto the following subsection:

All debentures rank equally

(47) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures.

s. 96*a*, enacted

106. The said Act is further amended by adding thereto the following section:

Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

96*a*. Notwithstanding any other provision of this Act,

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date

of redemption and upon giving notice as provided in this section;

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof; interest ceases to accrue on date set for redemption

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the Regional Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption; debentures to be redeemed may be purchased

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book; notice to redeem to be sent by mail

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide; notice to redeem to be published

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the Regional Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and where only portion of debentures payable on fixed date

(*g*) the aggregate amounts of principal and interest, or the amounts of principal payable in each year during the currency of debentures issued under this section shall be approximately equal. annual amounts payable to be approximately equal

s. 104, amended

107. Section 104 of the said Act is amended by adding thereto the following subsection:

When Debenture Registry Book may be maintained outside Canada

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate.

s. 115 (1), re-enacted

108. Subsection 1 of section 115 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 163, section 7 and 1974, chapter 117, section 47, is repealed and the following substituted therefor:

Application of R.S.O. 1970, c. 284

(1) Sections 5, 217, 223, 224, 229, 231, 232, 233 and 235, subsections 1, 4 and 5 of section 237, sections 238, 239, 245, 248*a*, 249, 250, 254, subsection 3 of section 308 and section 348 and paragraphs 3, 9, 24, 44, 63, 64, 65, 66 and 67 of section 352 and Parts XV, XVI, XVII and XXI of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation.

s. 117 (1), amended

109. Subsection 1 of section 117 of the said Act is amended by striking out "and may make annual grants for a period not exceeding five years, and upon the expiration of any such period may make similar grants for a further period not exceeding five years" in the fourth, fifth, sixth and seventh lines.

s. 118, repealed

110. Section 118 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 48, is repealed.

Repeals

111. The following are repealed:

1. *An Act to incorporate a joint stock company for the purpose of supplying the City of Hamilton with Water*, being CAP LXVI of the Statutes of the Province of Canada, 1852.

2. *An Act to vest in The Corporation of the City of Hamilton the Waterworks of that City*, being CAP LVI of the Statutes of the Province of Canada, 1861.

3. *An Act to amend the Acts relating to the Waterworks of the City of Hamilton*, being chapter 59 of the Statutes of Ontario, 1885.

PART IX

THE REGIONAL MUNICIPALITY OF DURHAM

112. Section 3 of *The Regional Municipality of Durham Act, 1973*, being chapter 78, is amended by adding thereto the following subsection: s. 3, amended

(*3a*) Upon the application of an area municipality authorized by a by-law of the council thereof, the Municipal Board may, by order, Alteration of wards, etc., by O.M.B.

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; and

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area municipality on the Regional Council, as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of the council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

113. Subsection 4 of section 13 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty". s. 13 (4), amended

114. Subsection 3 of section 26 of the said Act is amended by striking out "as an auditor" in the ninth and tenth lines and inserting in lieu thereof "for services within his professional capacity". s. 26 (3), amended

115.—(1) Subsection 1 of section 42 of the said Act is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines. s. 42 (1), amended

s. 42, amended

(2) The said section 42 is amended by adding thereto the following subsections:

Regional Council may approve by-law in whole or in part

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part, and where part of a by-law is approved only, that part only shall become operative.

Withdrawal of approval

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice.

s. 47, re-enacted

116. Section 47 of the said Act is repealed and the following substituted therefor:

Control of development

47.—(1) The Regional Council has, with respect to all land lying within a distance of 150 feet from any limit of a regional road, all the powers conferred on the council of a local municipality by sections 35, 35*a* and 35*b* of *The Planning Act*.

R.S.O. 1970, c. 349

Conflict with local by-law

(2) In the event of conflict between a by-law passed under subsection 1 by the Regional Council and a by-law passed under section 35 of *The Planning Act* or a predecessor of such section or under section 35*b* of the said Act by the council of the area municipality in which the land is situate, the by-law passed by the Regional Council prevails to the extent of such conflict, but in all other respects the by-law passed by the council of the area municipality remains in full force and effect.

s. 91 (2, 4), re-enacted

117. Subsections 2 and 4 of section 91 of the said Act are repealed and the following substituted therefor:

Idem

(2) Notwithstanding section 89, in any year, the Regional Council may, before the adoption of the estimates for that year, levy against each of the area municipalities a sum not exceeding 75 per cent of the levy made by the Regional Council in the preceding year against that area municipality and subsections 14 and 15 of section 89 apply to such a levy.

. . . . .

Levy by area municipality before estimates adopted

(4) Notwithstanding section 90, the council of an area municipality may in any year before the adoption of the estimates for that year, levy in each of the merged areas in the area municipality,

(*a*) on the residential and farm assessment as defined in clause *e* of subsection 1 of section 7 of *The Ontario Unconditional Grants Act, 1975*, a sum not exceeding 75 per cent of that which would be produced by applying to such assessment the total rate for all purposes levied in the preceding year in the merged area on residential real property of public school supporters; and 1975, c. 7

(*b*) on the commercial assessment as defined in clause *c* of subsection 1 of section 1 of *The Ontario Unconditional Grants Act, 1975*, a sum not exceeding 75 per cent of that which would be produced by applying to such assessment the total rate for all purposes levied in the preceding year in the merged area on the real property of public school supporters used as the basis for computing business assessment.

(4*a*) For the purposes of subsection 4, where for the year there is a different assessment generally of lands in a municipality the rates levied in the preceding year shall be adjusted by determining the rates that would have been levied in the preceding year had such assessment been used to determine the rates levied in the preceding year. Where assessment differs

118. The said Act is amended by adding thereto the following section: s. 103*a*, enacted

103*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act* whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council, pending the receipt of such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time. Temporary borrowing R.S.O. 1970, c. 332

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement such moneys shall be applied first in repayment of the advances. Application of proceeds

119.—(1) Subsection 11 of section 104 of the said Act is amended by striking out "at one time and" in the first line. s. 104 (11), amended

(2) Subsection 32 of the said section 104 is amended by adding thereto the following clauses: s. 104 (32), amended

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

s. 104 (46), amended

(3) Subsection 46 of the said section 104 is amended by striking out "25 to 41" in the fourth line and inserting in lieu thereof "23 to 43".

s. 104, amended

(4) The said section 104 is amended by adding thereto the following subsection:

All debentures rank equally

(47) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures.

s. 104*a*, enacted

120. The said Act is further amended by adding thereto the following section:

104*a*. Notwithstanding any other provisions of this Act,

Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

interest ceases to accrue on date set for redemption

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof;

debentures to be redeemed may be purchased

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when

redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the Regional Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption;

notice to redeem to be sent by mail

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book;

notice to redeem to be published

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide;

where only portion of debentures payable on fixed date

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the Regional Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and

annual amounts payable to be approximately equal

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year during the currency of debentures issued under this section shall be approximately equal.

s. 112, amended

121. Section 112 of the said Act is amended by adding thereto the following subsection:

When Debenture Registry Book may be maintained outside Canada

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate.

s. 123 (1), re-enacted

122. Subsection 1 of section 123 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 147, section 10 and 1974, chapter 117, section 52, is repealed and the following substituted therefor:

Application of R.S.O. 1970, c. 284

(1) Sections 5, 217, 223, 224, 229, 231, 232, 233 and 235, subsections 1, 4 and 5 of section 237, sections 238, 239, 245, 248*a*, 249, 250 and 254, subsection 3 of section 308 and section 348 and paragraphs 3, 9, 10, 11, 12, 24, 63, 64, 65, 66 and 67 of section 352 and Parts XV, XVI, XVII and XXI of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation.

s. 125 (1), amended

123. Subsection 1 of section 125 of the said Act is amended by striking out "and may make annual grants for such purposes" in the fourth and fifth lines.

s. 126, repealed

124. Section 126 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 53, is repealed.

PART X

THE REGIONAL MUNICIPALITY OF HALDIMAND-NORFOLK

s. 3, amended

125. Section 3 of *The Regional Municipality of Haldimand-Norfolk Act, 1973*, being chapter 96, is amended by adding thereto the following subsection:

Alteration of wards, etc., by O.M.B.

(3*a*) Upon the application of an area municipality authorized by a by-law of the council thereof, the Municipal Board may, by order,

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; and

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area municipality on the Regional Council, as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of the

council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

126. Subsection 4 of section 13 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty". s. 13 (4), amended

127. Subsection 3 of section 26 of the said Act is amended by striking out "as an auditor" in the ninth line and inserting in lieu thereof "for services within his professional capacity". s. 26 (3), amended

128.—(1) Subsection 1 of section 41 of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 155, section 4, is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines. s. 41 (1), amended

(2) The said section 41 is amended by adding thereto the following subsections: s. 41, amended

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part, and where part of the by-law is approved only, that part only shall become operative. Regional Council may approve by-law in whole or in part

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality, and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice. Withdrawal of approval

129. Section 46 of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 155, section 4, is repealed and the following substituted therefor: s. 46, re-enacted

46.—(1) The Regional Council has, with respect to all land lying within a distance of 150 feet from any limit of a regional road, all the powers conferred on the council of a local municipality by sections 35, 35*a* and 35*b* of *The Planning Act*. Control of development R.S.O. 1970, c. 349

(2) In the event of conflict between a by-law passed under subsection 1 by the Regional Council and a by-law passed under section 35 of *The Planning Act* or a predecessor of such section or under section 35*b* of the said Act by the council of the area municipality in which the land is situate, the by-law passed by the Regional Council prevails to the extent of such conflict, but in all other respects the by-law Conflict with local by-law

passed by the council of the area municipality remains in full force and effect.

s. 87 (2, 4), re-enacted

130. Subsections 2 and 4 of section 87 of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 155, section 4, are repealed and the following substituted therefor:

Idem

(2) Notwithstanding section 84, in any year, the Regional Council may, before the adoption of estimates for that year, levy against each of the area municipalities a sum not exceeding 75 per cent of the levy made by the Regional Council in the preceding year against that area municipality and subsections 14 and 15 of section 84 apply to such a levy.

. . . . .

Levy by area municipality before estimates adopted

(4) Notwithstanding section 86, the council of an area municipality may in any year, before the adoption of the estimates for that year, levy in each of the merged areas in the area municipality, on the whole of the assessment for real property including business assessment in the merged area according to the last revised assessment roll, a sum not exceeding,

1975, c. 7

(*a*) on the residential and farm assessment as defined in clause *e* of subsection 1 of section 7 of *The Ontario Unconditional Grants Act, 1975*, a sum not exceeding 75 per cent of that which would be produced by applying to such assessment the total rate for all purposes levied in the preceding year in the merged area on residential real property of public school supporters; and

(*b*) on the commercial assessment as defined in clause *c* of subsection 1 of section 1 of *The Ontario Unconditional Grants Act, 1975*, a sum not exceeding 75 per cent of that which would be produced by applying to such assessment the total rate for all purposes levied in the preceding year in the merged area on the real property of public school supporters used as the basis for computing business assessment.

Where assessment differs

(4*a*) For the purposes of subsection 4, where for the year there is a different assessment generally of lands in a municipality the rates levied in the preceding year shall be adjusted by determining the rates that would have been levied in the preceding year had such assessment been used to determine the rates levied in the preceding year.

s. 99*a*, enacted

131. The said Act is amended by adding thereto the following section:

Temporary borrowing R.S.O. 1970, c. 332

99*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act* whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council, pending the receipt of such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time.

Application of proceeds

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement such moneys shall be applied first in repayment of the advances.

132.—(1) Subsection 11 of section 100 of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 155, section 4, is amended by striking out "at one time and" in the first line. s. 100 (11), amended

(2) Subsection 32 of the said section 100 is amended by adding thereto the following clauses: s. 100 (32), amended

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

(3) Subsection 46 of the said section 100 is amended by striking out "25 to 41" in the fourth line, and inserting in lieu thereof "23 to 43". s. 100 (46), amended

(4) The said section 100 is amended by adding thereto the following subsection: s. 100, amended

All debentures rank equally

(47) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures.

133. The said Act is further amended by adding thereto the following section: s. 100*a*, enacted

Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

100*a*. Notwithstanding any other provision of this Act,

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

interest ceases to accrue on date set for redemption

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof;

debentures to be redeemed may be purchased

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the Regional Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption;

notice to redeem to be sent by mail

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book;

notice to redeem to be published

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide;

where only portion of debentures payable on fixed date

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation

of the Regional Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and

annual amounts payable to be approximately equal

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year during the currency of debentures issued under this section shall be approximately equal.

s. 108, amended

134. Section 108 of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 155, section 4, is amended by adding thereto the following subsection:

When Debenture Registry Book may be maintained outside Canada

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate.

s. 119 (1), re-enacted

135. Subsection 1 of section 119 of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 155, section 4 and amended by 1974, chapter 117, section 57, is repealed and the following substituted therefor:

Application of R.S.O. 1970, c. 284

(1) Sections 5, 217, 223, 224, 229, 231, 232, 233 and 235, subsections 1, 4 and 5 of section 237, sections 238, 239, 245, 248*a*, 249, 250, 254, subsection 3 of section 308 and section 348 and paragraphs 3, 9, 10, 11, 12, 24, 63, 64, 65, 66, 67 and 74 of section 352 and Parts XV, XVI, XVII and XXI of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation.

s. 121 (1), amended

136. Subsection 1 of section 121 of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 155, section 4, is amended by striking out "and may make annual grants for such purposes" in the fourth and fifth lines.

s. 122, repealed

137. Section 122 of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 155, section 4, and amended by 1974, chapter 117, section 58, is repealed.

MISCELLANEOUS

Commencement

138.—(1) This Act, except sections 9 and 23, subsection 2 of section 32, sections 37, 51, 63, 76 and 90, subsection 2 of

section 98 and sections 103, 117 and 130, comes into force on the day it receives Royal Assent.

Idem

(2) Subsection 2 of section 32 and subsection 2 of section 98, shall be deemed to have come into force on the 31st day of March, 1976.

Idem

(3) Sections 9, 23, 37, 51, 63, 76, 90, 103, 117 and 130 come into force on the 1st day of January, 1977.

Short title

139. This Act may be cited as *The Regional Municipalities Amendment Act, 1976*.

The Regional Municipalities Amendment Act, 1976

1st Reading

April 14th, 1976

2nd Reading

3rd Reading

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and
Minister of Economics and
Intergovernmental Affairs

(*Government Bill*)

1976

BILL 55 **Government Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

The Regional Municipalities Amendment Act, 1976

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and Minister of Economics and Intergovernmental Affairs

(Reprinted as amended by the Committee of the Whole House)

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Notes

General

The Bill amends ten of the Acts that establish various regional municipalities and is divided into the following Parts:

Part I—Ottawa-Carleton (ss. 1-13).

Part II—Niagara (ss. 14-26).

Part III—York (ss. 27-37).

Part IV—Waterloo (ss. 38-49).

Part V—Sudbury (ss. 50-60).

Part VI—Peel (ss. 61-71).

Part VII—Halton (ss. 72-83).

Part VIII—Hamilton-Wentworth (ss. 84-95).

Part IX—Durham (ss. 96-106).

Part X—Haldimand-Norfolk (ss. 107-117).

The following seven numbered paragraphs describe amendments that are common to all ten of the regional municipalities.

1. *Sections 1, 14 (2), 27 (1), 38, 50, 61, 73, 84 (1), 96, 107.*

Upon the application of the council of an area municipality, the Municipal Board is empowered to divide the area municipality into wards, to alter or dissolve an existing ward system and to provide for the composition of the council of the area municipality; nothing however in any order of the Board is to alter the number of representatives of the area municipality on the Regional Council.

2. *Sections 2, 15, 28, 39, 51, 62, 74, 85, 97, 108.*

The effect of the amendment is to enlarge from 30 to 60 days the period of time within which the council of the appropriate area municipality must appoint a successor in the event of a vacancy occurring on the Regional Council. An example of one of the subsections as it presently reads is set out below:

> (4) *When a vacancy occurs in the office of a member, other than the chairman or the head of the council of an area municipality, the council of the area municipality from which he was elected shall by by-law within thirty days after the vacancy occurs appoint a successor, who is eligible to be elected a member of the Regional Council, to hold office for the remainder of the term of his predecessor.*

3. *Sections 3, 16, 29, 40, 52, 63, 75, 86, 98, 109.*

The effect of the amendment is to permit a person to act as auditor of the Regional Corporation despite having rendered any professional services in the preceding year to the Regional Corporation, an area municipality or a local board thereof. An example of one of the subsections as it presently reads is set out below:

(3) *No person shall be appointed as an auditor of the Regional Corporation who is or during the preceding year was a member of the Regional Council or of the council of an area municipality or of any local board the accounts and transactions of which it would as auditor be his duty to audit, or who has or during the preceding year had any direct or indirect interest in any contract with the Regional Corporation or an area municipality or any such local board, or any employment with any of them other than as an auditor.*

4. *Sections 5, 17, 30, 42, 53, 64, 76, 87, 99, 110.*

Approval under *The Highway Traffic Act* is now no longer required to local municipality traffic by-laws and the amendment deletes the reference to such approval; the new subsections added permit the Regional Council to approve such traffic by-laws in part only and to withdraw any approval previously given. Similar powers were formerly exercised under *The Highway Traffic Act*. An example of one of the subsections as it presently reads is set out below:

(1) *No by-law passed by an area municipality for the regulation of traffic on a highway under the jurisdiction and control of the area municipality, except a by-law for the regulation of parking, shall come into force unless it has been approved by the Regional Council before it is submitted for approval under The Highway Traffic Act.*

5. *Sections 8, 20, 31, 43, 54, 65, 77, 88, 100, 111.*

The section added permits the Regional Council, in cases where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act*, whereunder moneys will be received by the Corporation from the Crown, to arrange temporary financing pending the receipt of the moneys; the power is analogous to that which is conferred on the Regional Council pending the issue and sale of debentures that have been approved by the Municipal Board.

6. *Sections 10, 11, 12, 24, 25, 26, 35, 36, 37, 47, 48, 49, 58, 59, 60, 69, 70, 71, 81, 82, 83, 92, 93, 94, 104, 105, 106, 115, 116, 117.*

The amendments relate to the power of the Regional Corporation to make grants, and the effect is the following:

(1) The broad general granting power conferred on local municipalities under section 248*a* of *The Municipal Act* is given to the Regional Corporation. Section 248*a* reads as follows:

248a.—(1) *Notwithstanding any special provision in this Act or in any other general or special Act, the council of every municipality may, subject to section 248, make grants on such terms and conditions as to security and otherwise as the council may consider expedient to any person, institution, association, group or body of any kind, including a fund, within or outside the boundaries of the municipality for any purpose that, in the opinion of the council, is in the interests of the municipality.*

(2) *The power to make a grant includes the power to guarantee a loan and to make a grant by way of loan and to charge interest on such loan.*

(3) *A guarantee of loan made under this section shall be deemed to be a debt for the purposes of section 293 and,*

where the term of the loan in respect of which such guarantee is made may extend beyond the current year, such guarantee shall be deemed to be an act, the cost of which is to be raised in a subsequent year and shall be subject to the provisions of section 64 of The Ontario Municipal Board Act.

(4) *For the purposes of this section, "person" includes a municipal corporation.*

(2) The specific authority now possessed by the Regional Corporation to make annual grants for the purpose of diffusing information is no longer required in the light of the broad general granting power contained in section 248*a* of *The Municipal Act*, now made applicable to the Regional Corporation. An example of the relevant subsection is set out below, showing underlined the words to be deleted.

(1) *The Regional Corporation may make expenditures for the purpose of diffusing information respecting the advantages of the regional municipality as an industrial, business, educational, residential or vacation centre and may make annual grants for a period not exceeding five years.*

(3) The specific authority now possessed by the Regional Corporation to make grants to persons engaged in works deemed advantageous to the Regional Area is no longer required in the light of the broad general granting power. An example of the relevant section to be repealed is set out below:

118. The Regional Council may make annual grants to institutions, associations, area municipalities and persons carrying on or engaged in works that in the opinion of the Regional Council are for the general advantage of the inhabitants of the Regional Area.

7. *Sections 9, 21, 32, 44, 55, 66, 78, 89, 101, 112.*

The amendments relate to debentures and provide for the following:

(1) The present requirement that all debentures authorized by the same by-law of the Regional Council be issued at the same time is deleted.

(2) The investment powers of the Regional Corporation in respect of sinking fund moneys is expanded. Such moneys will be able to be invested in United States of America securities and such other types of securities as the Lieutenant Governor in Council authorizes. Presently investments of such moneys are limited to the following:

(*a*) *in securities in which a trustee may invest under The Trustee Act;*

(*b*) *in debentures of the Regional Corporation;*

(*c*) *in temporary advances to the Regional Corporation pending the issue and sale of any debentures of the Regional Corporation;*

(*d*) *in temporary loans to the Regional Corporation for current expenditures, but no loan for such purpose shall*

be made for a period ending after the end of the calendar year in which the loan is made.

(3) The Regional Corporation is given the same power as is conferred on local municipalities under section 291*a* of *The Municipal Act* to issue "term debentures". The retirement fund for the term debentures is to be administered by the sinking fund committee of the Regional Corporation. All debentures issued by the Regional Corporation, regardless of the date of issue or the date of maturity are to rank equally.

The following two numbered paragraphs describe amendments that are common to all the regional municipalities dealt with in the Bill with the exception of Ottawa-Carleton.

1. *Sections 22, 33, 45, 56, 67, 79, 90, 102, 113.*

The effect of the added section is to confer on the Regional Corporation the same power as is conferred on local municipalities under section 289 of *The Municipal Act* to issue debentures all or a portion of which may be made payable on a fixed date, subject to the obligation of the Corporation to redeem annually, by lot, a certain specified principal amount of the debentures.

2. *Sections 23, 34, 46, 57, 68, 80, 91, 103, 114.*

The effect of the amendment is to authorize debentures of the Regional Corporation to be registered both as to principal and to interest, and to provide that where debentures are issued in a currency other than that of Canada the Debenture Registry Book may be maintained outside Canada. Local municipalities have the same authority under section 326 of *The Municipal Act*.

The following sections of the Bill relate only to the regional municipalities mentioned therein:

SECTION 4. The subsections being repealed provided for the by-law establishing the regional road system in Ottawa-Carleton to be passed and submitted to the Lieutenant Governor for approval on or before October 31st, 1968; they are repealed as being spent provisions.

SECTION 6. Section 65 of *The Regional Municipality of Ottawa-Carleton Act* provides that if an area municipality intends to stop up a road it is to notify the Regional Council, which then has 60 days to object to the closing; the subsection added allows the Regional Council to consent to the closing and thereby abrogate the 60-day waiting period.

SECTION 7. The amendment relates to the Ottawa-Carleton Regional Transit Commission and its assumption of assets vested in an area municipality used for transportation services; the amendment varies the interest rate from a mandatory 1 per cent per month to such rate per annum up to 12 per cent as the area council determines, as the penalty for late payment by the Regional Corporation on debenture payments falling due in respect of the assets assumed.

SECTION 13. The section being repealed provided that the expenses of the Regional Corporation of Ottawa-Carleton in its initial year of 1968 be paid out of the Consolidated Revenue Fund; it is repealed as obsolete.

SECTION 14.—Subsection 1. The subsection being repealed authorized the Minister to vary the composition of the council of any area municipality

in Niagara; that function will now be vested in the Municipal Board, as provided in section 14 (2) of the Bill.

SECTIONS 18 and 19. These amendments relate to Niagara and the assumption by the Regional Corporation of regional roads and homes for the aged respectively; the effect of the amendment is to increase the permitted interest rate charged by an area municipality to the Regional Corporation for late payment from one-half of 1 per cent per month to 12 per cent per annum.

SECTION 27.—Subsection 2. The added subsection empowers the Minister, at the request of the council of the town of Markham (York) to make special provision in respect of the 1976 election.

SECTION 41. Subsections 4 and 5 of section 27 of *The Regional Municipality of Waterloo Act, 1972*, presently read as follows:

(4) *Where the Regional Corporation or a local board thereof employs a person theretofore employed by a local municipality or a local board thereof within the Regional Area or by the County of Waterloo or a local board thereof, the employee shall be deemed to remain an employee of the municipality or local board thereof until the Regional Corporation or local board thereof has established a sick leave credit plan for its employees, and the employees are entitled to receive such benefits from the Regional Corporation, whereupon the Regional Corporation or local board thereof shall place to the credit of the employee the sick leave credits standing to his credit in the plan of the municipality or local board thereof.*

(5) *Where the Regional Corporation or a local board thereof employs a person theretofore employed by a local municipality or a local board thereof within the Regional Area or by the County of Waterloo or a local board thereof or a roads commission, the Regional Corporation or local board thereof shall, during the first year of his employment by the Regional Corporation or local board thereof, provide for such employee's holidays with pay equivalent to those to which he would have been entitled if he had remained in the employment of the municipality or local board thereof.*

The effect of the re-enactment is that, after July 1st, 1976, employees of an area municipality or a local board thereof, hired by the Regional Corporation, will be entitled to carry over their sick leave and holiday credits only if the Regional Corporation has been required by law to employ them.

SECTION 72. Section 2 (1) (*a*) of *The Regional Municipality of Halton Act, 1973*, presently reads in part as follows:

2.—(1) *On the 1st day of January, 1974,*

(*a*) *The portion of the Town of Burlington, described as follows, is incorporated as a city municipality bearing the name of The Corporation of the City of Burlington:*

Commencing where the west limit of the present Town of Burlington intersects the highwater mark of Hamilton Harbour;

. . . . .

The words added are designed to make it clear that the newly incorporated City of Burlington is the successor municipality of the former Town

of Burlington; a small portion of the former Town of Burlington was annexed to the new Town of Milton on the same date of January 1st, 1974.

SECTION 84.—Subsection 2. The added subsection empowers the Minister, at the request of the council of the Township of Glanbrook (Hamilton-Wentworth), to make special provision in respect of the 1976 election.

SECTION 95. The section repeals various obsolete private Acts that conferred certain powers with respect to waterworks on the City of Hamilton. All such powers are now exercised by The Regional Corporation of Hamilton-Wentworth.

BILL 55 **1976**

The Regional Municipalities Amendment Act, 1976

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

PART I

THE REGIONAL MUNICIPALITY OF OTTAWA-CARLETON

1. *The Regional Municipality of Ottawa-Carleton Act*, being chapter 407 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following section: s. 7a, enacted

7a. Notwithstanding the provisions of this or any other Act, upon the application of an area municipality authorized by a by-law of the council thereof, or upon the petition of electors in accordance with the provisions of section 13 of *The Municipal Act*, the Municipal Board may, by order, Alteration of wards, etc., by O.M.B. R.S.O. 1970, c. 284

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; and

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area municipality on the Regional Council as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of

the area municipality, and shall be the head of the council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

s. 11 (4), amended

2. Subsection 4 of section 11 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 138, section 5, is further amended by striking out "thirty" in the fifth line and inserting in lieu thereof "sixty".

s. 25 (3), amended

3. Subsection 3 of section 25 of the said Act is amended by striking out "as an auditor" in the eighth and ninth lines and inserting in lieu thereof "for services within his professional capacity".

s. 45 (2, 3), repealed

4. Subsections 2 and 3 of section 45 of the said Act are repealed.

s. 55*b* (1), amended

5.—(1) Subsection 1 of section 55*b* of the said Act, as enacted by the Statutes of Ontario, 1972, chapter 126, section 8, is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the sixth and seventh lines.

s. 55*b*, amended

(2) The said section 55*b* is amended by adding thereto the following subsections:

Regional Council may approve by-law in whole or in part

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part and, where part of a by-law is approved only, that part only shall become operative.

Withdrawal of approval

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice.

s. 65, amended

6. Section 65 of the said Act, as amended by the Statutes of Ontario, 1972, chapter 126, section 12 and 1973, chapter 71, section 6, is further amended by adding thereto the following subsection:

Where Regional Council has no objection

(2*a*) Where the Regional Council notifies the council of the area municipality that the Regional Council does not object to such stopping up, the Regional Council shall have no further right to object under subsection 2 and the council of the area municipality may proceed to pass a by-law for the stopping up of the highway or part thereof concerned.

7. Subsection 6 of section 67*e* of the said Act, as enacted by the Statutes of Ontario, 1972, chapter 126, section 14, is repealed and the following substituted therefor: s. 67*e* (6), re-enacted

(6) If the Regional Corporation fails to make any payment as required by subsection 5, interest shall be payable thereon at the rate of 12 per cent per annum, or such lower rate as the council of the area municipality determines, from the date payment is due until it is made. Default

8. The said Act is further amended by adding thereto the following section: s. 99*a*, enacted

99*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act* whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council, pending the receipt of such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time. Temporary borrowing R.S.O. 1970, c. 332

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement, such moneys shall be applied first in repayment of the advances. Application of proceeds

9.—(1) Subsection 9 of section 100 of the said Act is amended by striking out "at one time and" in the first line. s. 100 (9), amended

(2) Subsection 30 of the said section 100 is amended by adding thereto the following clauses: s. 100 (30), amended

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

(3) The said section 100, as amended by the Statutes of Ontario, 1972, chapter 126, section 19, is further amended by adding thereto the following subsections: s. 100, amended

(42) A money by-law may authorize the issue of debentures of which a portion shall be payable on a fixed date with interest payable annually or semi-annually, in which case such debentures shall be known as term debentures. Term debentures

Amounts to be raised annually

(43) In respect of the term debentures, the by-law shall provide for raising,

(*a*) in each year of the currency of the term debentures, a sum sufficient to pay the interest on the term debentures; and

(*b*) in each year of the currency of the term debentures in which no other debentures issued under the same by-law become due and payable, a specific amount to form a retirement fund for the term debentures which, with interest at a rate not to exceed 5 per cent per annum compounded yearly, will be sufficient to pay the principal of the term debentures at maturity.

Retirement fund administration

(44) The retirement fund for the term debentures shall be administered by the sinking fund committee in all respects in the same manner as a sinking fund established under this section, and the provisions of subsections 21 to 41 of this section with respect to a sinking fund shall apply *mutatis mutandis* to such retirement fund.

All debentures rank equally

(45) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures.

s. 124 (1), re-enacted

10. Subsection 1 of section 124 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 138, section 19, and 1974, chapter 117, section 4, is repealed and the following substituted therefor:

Application of R.S.O. 1970, c. 284

(1) Section 5, Parts XV, XVI, XVII and XXI, sections 248*a*, 249 and 254, subsection 3 of section 308, paragraphs 3, 10, 11, 12 and 24 of section 352 and section 391 of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation.

s. 126, amended

11. Section 126 of the said Act, as re-enacted by the Statutes of Ontario, 1973, chapter 138, section 20, is amended by striking out "and may make annual grants for a period not exceeding five years, and upon the expiration of any such period may make similar grants for a further period not exceeding five years" in the fourth, fifth, sixth and seventh lines.

12. Section 127 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 5, is repealed. s. 127, repealed

13. Section 141 of the said Act is repealed. s. 141, repealed

PART II

THE REGIONAL MUNICIPALITY OF NIAGARA

14.—(1) Subsection 1*a* of section 3 of *The Regional Municipality of Niagara Act*, being chapter 406 of the Revised Statutes of Ontario, 1970, as enacted by the Statutes of Ontario, 1972, chapter 51, section 1, is repealed. s. 3 (1*a*), repealed

(2) Subsection 5 of the said section 3, as enacted by the Statutes of Ontario, 1974, chapter 30, section 1, is repealed and the following substituted therefor: s. 3 (5), re-enacted

(5) Where the Minister has divided or redivided an area municipality into wards by order made under subsection 3, such division or redivision remains in effect until altered by the Municipal Board. Effect of Minister's order

(5*a*) Notwithstanding the provisions of this or any other Act, upon the application of an area municipality authorized by a by-law of the council thereof, or upon the petition of electors in accordance with the provisions of section 13 of *The Municipal Act*, the Municipal Board may, by order, Alteration of wards, etc., by O.M.B. R.S.O. 1970, c. 284

(*a*) divide or redivide the area municipality into wards and shall designate the name or number that each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; and

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of the council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

s. 12 (4), amended

15. Subsection 4 of section 12 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty".

s. 25 (3), amended

16. Subsection 3 of section 25 of the said Act is amended by striking out "as an auditor" in the eighth and ninth lines and inserting in lieu thereof "for services within his professional capacity".

s. 77 (1), amended

17.—(1) Subsection 1 of section 77 of the said Act is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines.

s. 77, amended

(2) The said section 77 is amended by adding thereto the following subsections:

Regional Council may approve by-law in whole or in part

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part and, where part of a by-law is approved only, that part only shall become operative.

Withdrawal of approval

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice.

s. 87 (2), re-enacted

18. Subsection 2 of section 87 of the said Act is repealed and the following substituted therefor:

Default

(2) If the Regional Corporation fails to make any payment as required by clause *b* of subsection 1, interest shall be payable thereon at the rate of 12 per cent per annum, or such lower rate as the council of the area municipality determines, from the date payment is due until it is made.

s. 100 (4), re-enacted

19. Subsection 4 of section 100 of the said Act is repealed and the following substituted therefor:

Default

(4) If the Regional Corporation fails to make any payment as required by subsection 3, interest shall be payable thereon at the rate of 12 per cent per annum, or such lower rate as the council of the area municipality determines, from the date payment is due until it is made.

s. 134*a*, enacted

20. The said Act is amended by adding thereto the following section:

Temporary borrowing

R.S.O. 1970, c. 332

134*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act*,

whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council, pending the receipt of such moneys, may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time.

Application of proceeds

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement, such moneys shall be applied first in repayment of the advances.

21.—(1) Subsection 9 of section 135 of the said Act is amended by striking out "at one time and" in the first line. s. 135 (9), amended

(2) Subsection 30 of the said section 135 is amended by adding thereto the following clauses: s. 135 (30), amended

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

(3) The said section 135, as amended by the Statutes of Ontario, 1972, chapter 51, section 13, is further amended by adding thereto the following subsections: s. 135, amended

Term debentures

(42) A money by-law may authorize the issue of debentures of which a portion shall be payable on a fixed date with interest payable annually or semi-annually, in which case such debentures shall be known as term debentures.

Amounts to be raised annually

(43) In respect of the term debentures, the by-law shall provide for raising,

(*a*) in each year of the currency of the term debentures, a sum sufficient to pay the interest on the term debentures; and

(*b*) in each year of the currency of the term debentures in which no other debentures issued under the same by-law become due and payable, a specific amount to form a retirement fund for the term debentures which, with interest at a rate not to exceed 5 per cent per annum compounded yearly,

will be sufficient to pay the principal of the term debentures at maturity.

Retirement fund administration

(44) The retirement fund for the term debentures shall be administered by the sinking fund committee in all respects in the same manner as a sinking fund established under this section, and the provisions of subsections 21 to 41 of this section with respect to a sinking fund shall apply *mutatis mutandis* to such retirement fund.

All debentures rank equally

(45) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures.

s. 135*a*, enacted

22. The said Act is further amended by adding thereto the following section:

Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

135*a*. Notwithstanding any other provision of this Act,

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

interest ceases to accrue on date set for redemption

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof;

debentures to be redeemed may be purchased

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures

purchased by the Regional Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption;

notice to redeem to be sent by mail

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book;

notice to redeem to be published

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide;

where only portion of debentures payable on fixed date

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the Regional Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and

annual amounts payable to be approximately equal

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year during the currency of debentures issued under this section shall be approximately equal.

23. Section 143 of the said Act is amended by adding thereto the following subsections: s. 143, amended

Registration of debenture as to principal and interest

(4) A debenture may be registered as to both principal and interest in which case the interest thereon shall be paid by cheque and the debenture may be referred to as a fully registered debenture.

When Debenture Registry Book may be maintained outside Canada

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate.

24. Subsection 1 of section 154 of the said Act, as re-enacted by the Statutes of Ontario, 1972, chapter 51, section 14 and s. 154 (1), re-enacted

amended by 1973, chapter 158, section 6, and 1974, chapter 117, section 10, is repealed and the following substituted therefor:

Application of R.S.O. 1970, c. 284

(1) Section 5, Parts XV, XVI, XVII and XXI, sections 248*a*, 249 and 254, subsection 3 of section 308 and section 348, paragraphs 3, 10, 11, 12 and 24 of section 352, paragraph 61 of subsection 1 of section 354 and section 394 of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation.

s. 156, amended

25. Section 156 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 158, section 7, is further amended by striking out "and may make annual grants for a period not exceeding five years, and upon the expiration of any such period may make similar grants for a further period not exceeding five years" in the fifth, sixth and seventh lines.

s. 157, repealed

26. Section 157 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 11, is repealed.

PART III

THE REGIONAL MUNICIPALITY OF YORK

s. 3, amended

27.—(1) Section 3 of *The Regional Municipality of York Act*, being chapter 408 of the Revised Statutes of Ontario, 1970, as amended by the Statutes of Ontario, 1972, chapter 78, section 2, is further amended by adding thereto the following subsection:

Alteration of wards, etc., by O.M.B.

(3*a*) Notwithstanding the provisions of this or any other Act, upon the application of an area municipality authorized by a by-law of the council thereof, or upon the petition of electors in accordance with the provisions of section 13 of *The Municipal Act*, R.S.O. 1970, c. 284, the Municipal Board may, by order,

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; or

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area

municipality on the Regional Council as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of the council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

(2) The said section 3 is further amended by adding thereto the following subsection: s. 3, amended

(3*b*) The Minister may, by order, in the year 1976, notwithstanding the provisions of this or any other Act, on the recommendation of the council of the Town of Markham expressed by resolution, 1976 election, Markham

(*a*) provide for the system of election of persons as members of the council of the said Town;

(*b*) provide for the total number of persons to be elected as members of the council of the Town; and

(*c*) vary the date specified in section 17 of *The Municipal Elections Act, 1972*, 1972, c. 95

and provisions made under clauses *a* and *b* shall remain in effect until varied by the Municipal Board.

28. Subsection 4 of section 12 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty". s. 12 (4), amended

29. Subsection 3 of section 25 of the said Act is amended by striking out "as an auditor" in the eighth and ninth lines and inserting in lieu thereof "for services within his professional capacity". s. 25 (3), amended

30.—(1) Subsection 1 of section 77 of the said Act is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines. s. 77 (1), amended

(2) The said section 77 is amended by adding thereto the following subsections: s. 77, amended

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part and, where part of a by-law is approved only, that part only shall become operative. Regional Council may approve by-law in whole or in part

Withdrawal of approval

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice.

s. 129*a*, enacted

31. The said Act is amended by adding thereto the following section:

Temporary borrowing
R.S.O. 1970, c. 332

129*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act*, whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council, pending the receipt of any such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time.

Application of proceeds

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement such moneys shall be applied first in repayment of the advances.

s. 130 (9), amended

32.—(1) Subsection 9 of section 130 of the said Act is amended by striking out "at one time and" in the first line.

s. 130 (30), amended

(2) Subsection 30 of the said section 130 is amended by adding thereto the following clauses:

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

s. 130, amended

(3) The said section 130, as amended by the Statutes of Ontario, 1972, chapter 78, section 17, is further amended by adding thereto the following subsections:

Term debentures

(42) A money by-law may authorize the issue of debentures of which a portion shall be payable on a fixed date with interest payable annually or semi-annually, in which case such debentures shall be known as term debentures.

(43) In respect of the term debentures, the by-law shall provide for raising, Amounts to be raised annually

(*a*) in each year of the currency of the term debentures, a sum sufficient to pay the interest on the term debentures; and

(*b*) in each year of the currency of the term debentures in which no other debentures issued under the same by-law become due and payable, a specific amount to form a retirement fund for the term debentures, which with interest at a rate not to exceed 5 per cent per annum compounded yearly, will be sufficient to pay the principal of the term debentures at maturity.

(44) The retirement fund for the term debentures shall be administered by the sinking fund committee in all respects in the same manner as a sinking fund established under this section, and the provisions of subsections 21 to 41 of this section with respect to a sinking fund shall apply *mutatis mutandis* to such retirement fund. Retirement fund administration

(45) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures. All debentures rank equally

33. The said Act is further amended by adding thereto the following section: s. 130*a*, enacted

130*a*. Notwithstanding any other provision of this Act, Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, Interest ceases to accrue on date set for redemption

after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof;

debentures to be redeemed may be purchased

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the Regional Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption;

notice to redeem to be sent by mail

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book;

notice to redeem to be published

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide;

where only portion of debentures payable on fixed date

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the Regional Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and

annual amounts payable to be approximately equal

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year during the currency of debentures issued under this section shall be approximately equal.

s. 138, amended

34. Section 138 of the said Act is amended by adding thereto the following subsections:

Registration of debenture as to principal and interest

(4) A debenture may be registered as to both principal and interest in which case the interest thereon shall be paid by cheque and the debenture may be referred to as a fully registered debenture.

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate. When Debenture Registry Book may be maintained outside Canada

35. Subsection 1 of section 149 of the said Act, as amended by the Statutes of Ontario, 1972, chapter 153, section 1, 1973, chapter 156, section 7 and 1974, chapter 117, section 17, is repealed and the following substituted therefor: s. 149 (1), re-enacted

(1) Section 5, Parts XV, XVI, XVII and XXI, sections 246, 248*a*, 249 and 254, subsection 3 of section 308, section 348 and paragraphs 3, 10, 11, 12 and 24 of section 352 of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation. Application of R.S.O. 1970, c. 284

36. Section 151 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 156, section 8, is further amended by striking out "and may make annual grants for a period not exceeding five years, and upon the expiration of any such period may make similar grants for a further period not exceeding five years" in the fifth, sixth and seventh lines. s. 151, amended

37. Section 152 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 18, is repealed. s. 152, repealed

PART IV

THE REGIONAL MUNICIPALITY OF WATERLOO

38. Section 3 of *The Regional Municipality of Waterloo Act, 1972*, being chapter 105, is amended by adding thereto the following subsection: s. 3, amended

(3*a*) Notwithstanding the provisions of this or any other Act, upon the application of an area municipality authorized by a by-law of the council thereof, or upon the petition of electors in accordance with the provisions of section 13 of *The Municipal Act*, the Municipal Board may, by order, Alteration of wards, etc., by O.M.B. R.S.O. 1970, c. 284

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; or

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area municipality on the Regional Council as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of the council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

s. 13 (4), amended

39. Subsection 4 of section 13 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty".

s. 26 (3), amended

40. Subsection 3 of section 26 of the said Act is amended by striking out "as an auditor" in the ninth and tenth lines and inserting in lieu thereof "for services within his professional capacity".

s. 27 (4, 5), re-enacted

41. Subsections 4 and 5 of section 27 of the said Act are repealed and the following substituted therefor:

Sick leave credits

(4) Where the Regional Corporation or a local board thereof, before the 1st day of July, 1976, employs, or thereafter is required to employ a person theretofore employed by a local municipality or a local board thereof within the Regional Area or by the County of Waterloo or a local board thereof, the employee shall be deemed to remain an employee of the municipality or local board thereof until the Regional Corporation or local board thereof has established a sick leave credit plan for its employees, and the employees are entitled to receive such benefits from the Regional Corporation, whereupon the Regional Corporation or local board thereof shall place to the credit of the employee the sick leave credits standing to his credit in the plan of the municipality or local board thereof.

Holidays

(5) Where the Regional Corporation or a local board thereof, before the 1st day of July, 1976, employs or thereafter is required to employ a person theretofore employed by a local municipality or a local board thereof within the Regional Area or by the County of Waterloo or a local board

thereof or a roads commission, the Regional Corporation or local board thereof shall, during the first year of his employment by the Regional Corporation or local board thereof, provide for such employee's holidays with pay equivalent to those to which he would have been entitled if he had remained in the employment of the municipality or local board thereof.

s. 80 (1), amended

42.—(1) Subsection 1 of section 80 of the said Act is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines.

s. 80, amended

(2) The said section 80 is amended by adding thereto the following subsections:

Regional Council may approve by-law in whole or in part

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part and, where part of a by-law is approved only, that part only shall become operative.

Withdrawal of approval

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice.

s. 134*a*, enacted

43. The said Act is amended by adding thereto the following section:

Temporary borrowing R.S.O. 1970, c. 332

134*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act* whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council pending the receipt of such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time.

Application of proceeds

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement such moneys shall be applied first in repayment of the advances.

s. 138 (11), amended

44.—(1) Subsection 11 of section 138 of the said Act is amended by striking out "at one time and" in the first line.

s. 138 (32), amended

(2) Subsection 32 of the said section 138 is amended by adding thereto the following clauses:

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

s. 138, amended

(3) The said section 138 is amended by adding thereto the following subsections:

Term debentures

(44) A money by-law may authorize the issue of debentures of which a portion shall be payable on a fixed date with interest payable annually or semi-annually, in which case such debentures shall be known as term debentures.

Amounts to be raised annually

(45) In respect of the term debentures, the by-law shall provide for raising,

(*a*) in each year of the currency of the term debentures, a sum sufficient to pay the interest on the term debentures; and

(*b*) in each year of the currency of the term debentures in which no other debentures issued under the same by-law become due and payable, a specific amount to form a retirement fund for the term debentures which, with interest at a rate not to exceed 5 per cent per annum compounded yearly, will be sufficient to pay the principal of the term debentures at maturity.

Retirement fund administration

(46) The retirement fund for the term debentures shall be administered by the sinking fund committee in all respects in the same manner as a sinking fund established under this section, and the provisions of subsections 23 to 43 of this section with respect to a sinking fund shall apply *mutatis mutandis* to such retirement fund.

All debentures rank equally

(47) Notwithstanding the provision of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures.

s. 138*a*, enacted

45. The said Act is further amended by adding thereto the following section:

138*a*. Notwithstanding any other provision of this Act,

Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

interest ceases to accrue on date set for redemption

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof;

debentures to be redeemed may be purchased

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the Regional Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption;

notice to redeem to be sent by mail

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book;

notice to redeem to be published

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide;

where only portion of debentures payable on fixed date

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the Regional Corporation to redeem by lot

annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and

annual amounts payable to be approximately equal

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year during the currency of debentures issued under this section shall be approximately equal.

s. 146, amended

46. Section 146 of the said Act is amended by adding thereto the following subsections:

Registration of debenture as to principal and interest

(4) A debenture may be registered as to both principal and interest in which case the interest thereon shall be paid by cheque and the debenture may be referred to as a fully registered debenture.

Where Debenture Registry Book may be maintained outside Canada

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate.

s. 158 (1), re-enacted

47. Subsection 1 of section 158 of the said Act, as amended by the Statutes of Ontario, 1972, chapter 164, section 3, 1973, chapter 137, section 9 and 1974, chapter 117, section 23, is repealed and the following substituted therefor:

Application of R.S.O. 1970, c. 284

(1) Section 5, Parts XV, XVI, XVII and XXI, sections 246, 248*a*, 249 and 254, subsection 3 of section 308, section 348 and paragraphs 3, 10, 11, 12 and 24 of section 352 of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation.

s. 160, amended

48. Section 160 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 137, section 10, is further amended by striking out "and may make annual grants for a period not exceeding five years, and upon the expiration of any such period may make similar grants for a further period not exceeding five years" in the fifth, sixth, seventh and eighth lines.

s. 161, repealed

49. Section 161 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 24, is repealed.

PART V

THE REGIONAL MUNICIPALITY OF SUDBURY

50. Section 3 of *The Regional Municipality of Sudbury Act, 1972*, being chapter 104, as amended by the Statutes of Ontario, 1972, chapter 167, section 1, 1974, chapter 54, section 1 and 1975, chapter 46, section 12, is further amended by adding thereto the following subsection: s. 3, amended

(3*a*) Notwithstanding the provisions of this or any other Act, upon the application of an area municipality authorized by a by-law of the council thereof, or upon the petition of electors in accordance with the provisions of section 13 of *The Municipal Act*, the Municipal Board may, by order, Alteration of wards, etc., by O.M.B. R.S.O. 1970, c. 284

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect;

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area municipality on the Regional Council as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of the council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

51. Subsection 4 of section 13 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty". s. 13 (4), amended

52. Subsection 3 of section 26 of the said Act is amended by striking out "as an auditor" in the ninth line and inserting in lieu thereof "for services within his professional capacity". s. 26 (3), amended

53.—(1) Subsection 1 of section 65 of the said Act is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines. s. 65 (1), amended

s. 65, amended

(2) The said section 65 is amended by adding thereto the following subsections:

Regional Council may approve by-law in whole or in part

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part and, where part of a by-law is approved only, that part only shall become operative.

Withdrawal of approval

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice.

s. 94*a*, enacted

54. The said Act is amended by adding thereto the following section:

Temporary borrowing R.S.O. 1970, c. 332

94*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act* whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council, pending the receipt of such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time.

Application of proceeds

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement, such moneys shall be applied first in repayment of the advances.

s. 95 (11), amended

55.—(1) Subsection 11 of section 95 of the said Act is amended by striking out "at one time and" in the first line.

s. 95 (32), amended

(2) Subsection 32 of the said section 95 is amended by adding thereto the following clauses:

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

s. 95, amended

(3) The said section 95 is amended by adding thereto the following subsections:

(44) A money by-law may authorize the issue of debentures of which a portion shall be payable on a fixed date with interest payable annually or semi-annually, in which case such debentures shall be known as term debentures. Term debentures

(45) In respect of the term debentures, the by-law shall provide for raising, Amounts to be raised annually

(*a*) in each year of the currency of the term debentures, a sum sufficient to pay the interest on the term debentures; and

(*b*) in each year of the currency of the term debentures in which no other debentures issued under the same by-law become due and payable, a specific amount to form a retirement fund for the term debentures which, with interest at a rate not to exceed 5 per cent per annum compounded yearly, will be sufficient to pay the principal of the term debentures at maturity.

(46) The retirement fund for the term debentures shall be administered by the sinking fund committee in all respects in the same manner as a sinking fund established under this section, and the provisions of subsections 23 to 43 of this section with respect to a sinking fund shall apply *mutatis mutandis* to such retirement fund. Retirement fund administration

(47) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures. All debentures rank equally

56. The said Act is further amended by adding thereto the following section: s. 95*a*, enacted

95*a*. Notwithstanding any provision of this Act, Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

interest ceases to accrue on date set for redemption

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof;

debentures to be redeemed may be purchased

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the Regional Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption;

notice to redeem to be sent by mail

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book;

notice to redeem to be published

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide;

where only portion of debentures payable on fixed date

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the Regional Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and

annual amounts payable to be approximately equal

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year during the currency of debentures issued under this section shall be approximately equal.

s. 103, amended

57. Section 103 of the said Act is amended by adding thereto the following subsections:

(4) A debenture may be registered as to both principal and interest in which case the interest thereon shall be paid by cheque and the debenture may be referred to as a fully registered debenture. Registration of debenture as to principal and interest

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate. When Debenture Registry Book may be maintained outside Canada

58. Subsection 1 of section 115 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 139, section 11, and 1974, chapter 117, section 31, is repealed and the following substituted therefor: s. 115 (1), re-enacted

(1) Section 5, Parts XV, XVI, XVII and XXI, sections 248*a*, 249 and 254, subsection 3 of section 308, section 348 and paragraphs 3, 10, 11, 12 and 24 of section 352 of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation. Application of R.S.O. 1970, c. 284

59. Section 117 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 32, is amended by striking out "and may make annual grants for a period not exceeding five years, and upon the expiration of any such period may make similar grants for a further period not exceeding five years" in the fifth, sixth, seventh and eighth lines. s. 117, amended

60. Section 118 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 33, is repealed. s. 118, repealed

PART VI

THE REGIONAL MUNICIPALITY OF PEEL

61. Section 3 of *The Regional Municipality of Peel Act, 1973*, being chapter 60, is amended by adding thereto the following subsections: s. 3, amended

(3*a*) Notwithstanding the provisions of this or any other Act, upon the application of an area municipality authorized by a by-law of the council thereof, or upon the petition of electors in accordance with the provisions of section 13 of *The Municipal Act*, the Municipal Board may, by order, Alteration of wards, etc., by O.M.B. R.S.O. 1970, c. 284

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; and

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area municipality on the Regional Council as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

s. 13 (4), amended

62. Subsection 4 of section 13 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty".

s. 26 (3), re-enacted

63. Subsection 3 of section 26 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 35, is repealed and the following substituted therefor:

Disqualification of auditors

(3) No person shall be appointed as an auditor of the Regional Corporation who is or during the preceding year was a member of the Regional Council or of the council of an area municipality or of any local board, the accounts and transactions of which it would as auditor be his duty to audit, or who has or during the preceding year had any direct or indirect interest in any contract with the Regional Corporation or an area municipality or any such local board, or any employment with any of them other than for services within his professional capacity.

s. 41 (1), amended

64.—(1) Subsection 1 of section 41 of the said Act is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines.

(2) The said section 41 is amended by adding thereto the following subsections: s. 41, amended

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part and, where part of a by-law is approved only, that part only shall become operative. Regional Council may approve by-law in whole or in part

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice. Withdrawal of approval

65. The said Act is amended by adding thereto the following section: s. 91*a*, enacted

91*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act* whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council, pending the receipt of such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time. Temporary borrowing R.S.O. 1970, c. 332

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement such moneys shall be applied first in repayment of the advances. Application of proceeds

66.—(1) Subsection 11 of section 96 of the said Act is amended by striking out "at one time and" in the first line. s. 96 (11), amended

(2) Subsection 32 of the said section 96 is amended by adding thereto the following clauses: s. 96 (32), amended

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

(3) Subsection 46 of the said section 96 is amended by striking out "25 to 41" in the fourth line and inserting in lieu thereof "23 to 43". s. 96 (46), amended

s. 96, amended

(4) The said section 96 is amended by adding thereto the following subsection:

All debentures rank equally

(47) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures.

s. 96*a*, enacted

67. The said Act is further amended by adding thereto the following section:

Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

96*a*. Notwithstanding any other provision of this Act,

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

interest ceases to accrue on date set for redemption

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof;

debentures to be redeemed may be purchased

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the Regional Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption;

notice to redeem to be sent by mail

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person,

if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book;

notice to redeem to be published

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide;

where only portion of debentures payable on fixed date

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the Regional Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and

annual amounts payable to be approximately equal

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year during the currency of debentures issued under this section shall be approximately equal.

68. Section 104 of the said Act is amended by adding thereto the following subsection: s. 104, amended

When Debenture Registry Book may be maintained outside Canada

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate.

69. Subsection 1 of section 115 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 161, section 6, and 1974, chapter 117, section 37, is repealed and the following substituted therefor: s. 115 (1), re-enacted

Application of R.S.O. 1970, c. 284

(1) Sections 5, 217, 223, 224, 229, 231, 232, 233 and 235, subsections 1, 4 and 5 of section 237, sections 238, 239, 245, 248*a*, 249, 250, 254, subsection 3 of section 308, section 348 and paragraphs 3, 9, 10, 11, 12, 24, 63, 64, 65, 66 and 67 of section 352 and Parts XV, XVI, XVII and XXI of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation.

70. Subsection 1 of section 117 of the said Act is amended by striking out "and may make annual grants for a period not exceeding five years" in the fourth and fifth lines. s. 117 (1), amended

s. 118, repealed

71. Section 118 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 38, is repealed.

PART VII

THE REGIONAL MUNICIPALITY OF HALTON

s. 2 (1) (*a*), amended

72. Clause *a* of subsection 1 of section 2 of *The Regional Municipality of Halton Act, 1973*, being chapter 70, is amended by inserting after "municipality" in the second line "successor to The Corporation of the Town of Burlington".

s. 3, amended

73. Section 3 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 162, section 2, is further amended by adding thereto the following subsection:

Alteration of wards, etc., by O.M.B.

R.S.O. 1970, c. 284

(3*a*) Upon the application of an area municipality authorized by a by-law of the council thereof, or upon the petition of electors in accordance with the provisions of section 13 of *The Municipal Act*, the Municipal Board may, by order,

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; and

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area municipality on the Regional Council as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

s. 13 (4), amended

74. Subsection 4 of section 13 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty".

75. Subsection 3 of section 26 of the said Act is amended by striking out "as an auditor" in the ninth line and inserting in lieu thereof "for services within his professional capacity". s. 26 (3), amended

76.—(1) Subsection 1 of section 41 of the said Act is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines. s. 41 (1), amended

(2) The said section 41 is amended by adding thereto the following subsections: s. 41, amended

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part and, where part of a by-law is approved only, that part only shall become operative. Regional Council may approve by-law in whole or in part

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice. Withdrawal of approval

77. The said Act is amended by adding thereto the following section: s. 91*a*, enacted

91*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act*, whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council pending the receipt of any such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time. Temporary borrowing R.S.O. 1970, c. 332

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement, such moneys shall be applied first in repayment of the advances. Application of proceeds

78.—(1) Subsection 11 of section 96 of the said Act is amended by striking out "at one time and" in the first line. s. 96 (11), amended

(2) Subsection 32 of the said section 96 is amended by adding thereto the following clauses: s. 96 (32), amended

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

s. 96 (46), amended

(3) Subsection 46 of the said section 96 is amended by striking out "25 to 41" in the fourth line and inserting in lieu thereof "23 to 43".

s. 96, amended

(4) The said section 96 is amended by adding thereto the following subsection:

All debentures rank equally

(47) Notwithstanding the provisions of any general or special Act or any difference in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures.

s. 96*a*, enacted

79. The said Act is further amended by adding thereto the following section:

96*a*. Notwithstanding any other provisions of this Act,

Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

interest ceases to accrue on date set for redemption

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof;

debentures to be redeemed may be purchased

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the Regional Corporation, at a price

or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption;

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book; — notice to redeem to be sent by mail

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide; — notice to redeem to be published

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the Regional Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and — where only portion of debentures payable on fixed date

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year during the currency of debentures issued under this section shall be approximately equal. — annual amounts payable to be approximately equal

80. Section 104 of the said Act is amended by adding thereto the following subsection: — s. 104, amended

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate. — When Debenture Registry Book may be maintained outside Canada

81. Subsection 1 of section 115 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 162, section 8, and 1974, chapter 117, section 42, is repealed and the following substituted therefor: — s. 115 (1), re-enacted

(1) Sections 5, 217, 223, 224, 229, 231, 232, 233 and 235, subsections 1, 4 and 5 of section 237, sections 238, 239, 245, 248*a*, 249, 250, 254, subsection 3 of section 308 and section 348 and paragraphs 3, 9, 10, 11, 12, 24, 44, 63, 64, 65, 66 and 67 of section 352 and Parts XV, XVI, XVII and — Application of R.S.O. 1970, c. 284

XXI of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation.

s. 117 (1), amended

82. Subsection 1 of section 117 of the said Act is amended by striking out "and may make annual grants for a period not exceeding five years, and upon the expiration of any such period may make similar grants for a further period not exceeding five years" in the fourth, fifth, sixth and seventh lines.

s. 118, repealed

83. Section 118 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 43, is repealed.

PART VIII

THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

s. 3, amended

84.—(1) Section 3 of *The Regional Municipality of Hamilton-Wentworth Act, 1973*, being chapter 74, is amended by adding thereto the following subsection:

Alteration of wards, etc., by O.M.B.

R.S.O. 1970, c. 284

(3*a*) Upon the application of an area municipality authorized by a by-law of the council thereof, or upon the petition of electors in accordance with the provisions of section 13 of *The Municipal Act*, the Municipal Board may, by order,

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; and

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area municipality on the Regional Council as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of the council of the area municipality, and shall be a

member of the Regional Council, as provided for in this Act.

(2) The said section 3 is further amended by adding thereto the following subsection: s. 3, amended

(3*b*) The Minister may, by order, in the year 1976, notwithstanding the provisions of this or any other Act, on the recommendation of the council of the Township of Glanbrook expressed by resolution, 1976 election, Glanbrook

(*a*) provide for the system of election of persons as members of the council of the said Township;

(*b*) provide for the method of election of the representative of the Township to the Regional Council;

(*c*) provide for the total number of persons to be elected as members of the council of the Township; and

(*d*) vary the date specified in section 17 of *The Municipal Elections Act, 1972*, 1972, c. 95

and provisions made under clauses *a*, *b*, and *c* shall remain in effect until varied by the Municipal Board.

85. Subsection 4 of section 13 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty". s. 13 (4), amended

86. Subsection 3 of section 26 of the said Act is amended by striking out "as an auditor" in the ninth and tenth lines and inserting in lieu thereof "for services within his professional capacity". s. 26 (3), amended

87.—(1) Subsection 1 of section 41 of the said Act is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines. s. 41 (1), amended

(2) The said section 41 is amended by adding thereto the following subsections: s. 41, amended

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part and, where part of a by-law is approved only, that part only shall become operative. Regional Council may approve by-law in whole or in part

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered Withdrawal of approval

mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice.

s. 91*a*, enacted

88. The said Act is amended by adding thereto the following section:

Temporary borrowing
R.S.O. 1970, c. 332

91*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act* whereby the Regional Corporation is entitled to receive moneys from the Crown, the Region Council pending the receipt of such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time.

Application of proceeds

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement such moneys shall be applied first in repayment of the advances.

s. 96 (11), amended

89.—(1) Subsection 11 of section 96 of the said Act is amended by striking out "at one time and" in the first line.

s. 96 (32), amended

(2) Subsection 32 of the said section 96 is amended by adding thereto the following clauses:

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

s. 96 (46), amended

(3) Subsection 46 of the said section 96 is amended by striking out "25 to 41" in the fourth line and inserting in lieu thereof "23 to 43".

s. 96, amended

(4) The said section 96 is amended by adding thereto the following subsection:

All debentures rank equally

(47) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except

as to the availability of any sinking funds applicable to any particular issue of debentures.

90. The said Act is further amended by adding thereto the following section: s. 96*a*, enacted

96*a*. Notwithstanding any other provision of this Act, Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof; interest ceases to accrue on date set for redemption

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the Regional Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption; debentures to be redeemed may be purchased

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book; notice to redeem to be sent by mail

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date notice to redeem to be published

set for such redemption in such manner as the by-law may provide;

where only portion of debentures payable on fixed date

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the Regional Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and

annual amounts payable to be approximately equal

(*g*) the aggregate amounts of principal and interest, or the amounts of principal payable in each year during the currency of debentures issued under this section shall be approximately equal.

s. 104, amended

91. Section 104 of the said Act is amended by adding thereto the following subsection:

When Debenture Registry Book may be maintained outside Canada

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate.

s. 115 (1), re-enacted

92. Subsection 1 of section 115 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 163, section 7 and 1974, chapter 117, section 47, is repealed and the following substituted therefor:

Application of R.S.O. 1970, c. 284

(1) Sections 5, 217, 223, 224, 229, 231, 232, 233 and 235, subsections 1, 4 and 5 of section 237, sections 238, 239, 245, 248*a*, 249, 250, 254, subsection 3 of section 308 and section 348 and paragraphs 3, 9, 10, 11, 12, 24, 44, 63, 64, 65, 66 and 67 of section 352 and Parts XV, XVI, XVII and XXI of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation.

s. 117 (1), amended

93. Subsection 1 of section 117 of the said Act is amended by striking out "and may make annual grants for a period not exceeding five years, and upon the expiration of any such period may make similar grants for a further period not exceeding five years" in the fourth, fifth, sixth and seventh lines.

94. Section 118 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 48, is repealed. s. 118, repealed

95. The following are repealed: Repeals

1. *An Act to incorporate a joint stock company for the purpose of supplying the City of Hamilton with Water*, being CAP LXVI of the Statutes of the Province of Canada, 1852.

2. *An Act to vest in The Corporation of the City of Hamilton the Waterworks of that City*, being CAP LVI of the Statutes of the Province of Canada, 1861.

3. *An Act to amend the Acts relating to the Waterworks of the City of Hamilton*, being chapter 59 of the Statutes of Ontario, 1885.

PART IX

THE REGIONAL MUNICIPALITY OF DURHAM

96. Section 3 of *The Regional Municipality of Durham Act, 1973*, being chapter 78, is amended by adding thereto the following subsection: s. 3, amended

(3*a*) Upon the application of an area municipality authorized by a by-law of the council thereof, or upon the petition of electors in accordance with the provisions of section 13 of *The Municipal Act*, the Municipal Board may, by order, Alteration of wards, etc., by O.M.B. R.S.O. 1970, c. 284

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; and

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area municipality on the Regional Council, as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of the council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

s. 13 (4), amended

97. Subsection 4 of section 13 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty".

s. 26 (3), amended

98. Subsection 3 of section 26 of the said Act is amended by striking out "as an auditor" in the ninth and tenth lines and inserting in lieu thereof "for services within his professional capacity".

s. 42 (1), amended

99.—(1) Subsection 1 of section 42 of the said Act is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines.

s. 42, amended

(2) The said section 42 is amended by adding thereto the following subsections:

Regional Council may approve by-law in whole or in part

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part, and where part of a by-law is approved only, that part only shall become operative.

Withdrawal of approval

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice.

s. 103*a*, enacted

100. The said Act is amended by adding thereto the following section:

Temporary borrowing

R.S.O. 1970, c. 332

103*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act* whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council, pending the receipt of such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time.

Application of proceeds

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be

bound to see the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement such moneys shall be applied first in repayment of the advances.

101.—(1) Subsection 11 of section 104 of the said Act is amended by striking out "at one time and" in the first line. s. 104 (11), amended

(2) Subsection 32 of the said section 104 is amended by adding thereto the following clauses: s. 104 (32), amended

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

(3) Subsection 46 of the said section 104 is amended by striking out "25 to 41" in the fourth line and inserting in lieu thereof "23 to 43". s. 104 (46), amended

(4) The said section 104 is amended by adding thereto the following subsection: s. 104, amended

All debentures rank equally

(47) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures.

102. The said Act is further amended by adding thereto the following section: s. 104*a*, enacted

104*a*. Notwithstanding any other provisions of this Act,

Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

interest ceases to accrue on date set for redemption

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof;

debentures to be redeemed may be purchased

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the Regional Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption;

notice to redeem to be sent by mail

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book;

notice to redeem to be published

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide;

where only portion of debentures payable on fixed date

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the Regional Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and

annual amounts payable to be approximately equal

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year during the currency of debentures issued under this section shall be approximately equal.

s. 112, amended

103. Section 112 of the said Act is amended by adding thereto the following subsection:

When Debenture Registry Book may be maintained outside Canada

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the

Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate.

104. Subsection 1 of section 123 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 147, section 10 and 1974, chapter 117, section 52, is repealed and the following substituted therefor: s. 123 (1), re-enacted

(1) Sections 5, 217, 223, 224, 229, 231, 232, 233 and 235, subsections 1, 4 and 5 of section 237, sections 238, 239, 245, 248*a*, 249, 250 and 254, subsection 3 of section 308 and section 348 and paragraphs 3, 9, 10, 11, 12, 24, 63, 64, 65, 66 and 67 of section 352 and Parts XV, XVI, XVII and XXI of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation. Application of R.S.O. 1970, c. 284

105. Subsection 1 of section 125 of the said Act is amended by striking out "and may make annual grants for such purposes" in the fourth and fifth lines. s. 125 (1), amended

106. Section 126 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 53, is repealed. s. 126, repealed

PART X

THE REGIONAL MUNICIPALITY OF HALDIMAND-NORFOLK

107. Section 3 of *The Regional Municipality of Haldimand-Norfolk Act, 1973*, being chapter 96, is amended by adding thereto the following subsection: s. 3, amended

(3*a*) Upon the application of an area municipality authorized by a by-law of the council thereof, or upon the petition of electors in accordance with the provisions of section 13 of *The Municipal Act*, the Municipal Board may, by order, Alteration of wards, etc., by O.M.B. R.S.O. 1970, c. 284

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; and

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area municipality on the Regional Council, as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of the council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

s. 13 (4), amended

108. Subsection 4 of section 13 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty".

s. 26 (3), amended

109. Subsection 3 of section 26 of the said Act is amended by striking out "as an auditor" in the ninth line and inserting in lieu thereof "for services within his professional capacity".

s. 41 (1), amended

110.—(1) Subsection 1 of section 41 of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 155, section 4, is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines.

s. 41, amended

(2) The said section 41 is amended by adding thereto the following subsections:

Regional Council may approve by-law in whole or in part

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part, and where part of the by-law is approved only, that part only shall become operative.

Withdrawal of approval

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality, and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice.

s. 99*a*, enacted

111. The said Act is amended by adding thereto the following section:

99*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act* whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council, pending the receipt of such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time. Temporary borrowing R.S.O. 1970, c. 332

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement such moneys shall be applied first in repayment of the advances. Application of proceeds

112.—(1) Subsection 11 of section 100 of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 155, section 4, is amended by striking out "at one time and" in the first line. s. 100 (11), amended

(2) Subsection 32 of the said section 100 is amended by adding thereto the following clauses: s. 100 (32), amended

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

(3) Subsection 46 of the said section 100 is amended by striking out "25 to 41" in the fourth line, and inserting in lieu thereof "23 to 43". s. 100 (46), amended

(4) The said section 100 is amended by adding thereto the following subsection: s. 100, amended

(47) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures. All debentures rank equally

113. The said Act is further amended by adding thereto the following section: s. 100*a*, enacted

Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

100*a*. Notwithstanding any other provision of this Act,

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

interest ceases to accrue on date set for redemption

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof;

debentures to be redeemed may be purchased

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the Regional Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption;

notice to redeem to be sent by mail

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book;

notice to redeem to be published

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide;

where only portion of debentures payable on fixed date

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation

of the Regional Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year during the currency of debentures issued under this section shall be approximately equal. annual amounts payable to be approximately equal

114. Section 108 of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 155, section 4, is amended by adding thereto the following subsection: s. 108, amended

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate. When Debenture Registry Book may be maintained outside Canada

115. Subsection 1 of section 119 of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 155, section 4 and amended by 1974, chapter 117, section 57, is repealed and the following substituted therefor: s. 119 (1), re-enacted

(1) Sections 5, 217, 223, 224, 229, 231, 232, 233 and 235, subsections 1, 4 and 5 of section 237, sections 238, 239, 245, 248*a*, 249, 250, 254, subsection 3 of section 308 and section 348 and paragraphs 3, 9, 10, 11, 12, 24, 63, 64, 65, 66, 67 and 74 of section 352 and Parts XV, XVI, XVII and XXI of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation. Application of R.S.O. 1970, c. 284

116. Subsection 1 of section 121 of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 155, section 4, is amended by striking out "and may make annual grants for such purposes" in the fourth and fifth lines. s. 121 (1), amended

117. Section 122 of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 155, section 4, and amended by 1974, chapter 117, section 58, is repealed. s. 122, repealed

MISCELLANEOUS

118.—(1) This Act, except subsection 2 of section 27 and subsection 2 of section 84, comes into force on the day it receives Royal Assent. Commencement

Idem

(2) Subsection 2 of section 27 and subsection 2 of section 84 shall be deemed to have come into force on the 31st day of March, 1976.

Short title

119. This Act may be cited as *The Regional Municipalities Amendment Act, 1976*.

The Regional Municipalities Amendment Act, 1976

1st Reading

April 14th, 1976

2nd Reading

June 1st, 1976

3rd Reading

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and
Minister of Economics and
Intergovernmental Affairs

(*Reprinted as amended by the Committee of the Whole House*)

1976

BILL 55

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

The Regional Municipalities Amendment Act, 1976

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and Minister of Economics and
Intergovernmental Affairs

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 55 **1976**

The Regional Municipalities Amendment Act, 1976

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

PART I

THE REGIONAL MUNICIPALITY OF OTTAWA-CARLETON

1. *The Regional Municipality of Ottawa-Carleton Act*, being chapter 407 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following section: s. 7a, enacted

7*a*. Notwithstanding the provisions of this or any other Act, upon the application of an area municipality authorized by a by-law of the council thereof, or upon the petition of electors in accordance with the provisions of section 13 of *The Municipal Act*, the Municipal Board may, by order, Alteration of wards, etc., by O.M.B. R.S.O. 1970, c. 284

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; and

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area municipality on the Regional Council as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of

the area municipality, and shall be the head of the council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

s. 11 (4), amended

2. Subsection 4 of section 11 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 138, section 5, is further amended by striking out "thirty" in the fifth line and inserting in lieu thereof "sixty".

s. 25 (3), amended

3. Subsection 3 of section 25 of the said Act is amended by striking out "as an auditor" in the eighth and ninth lines and inserting in lieu thereof "for services within his professional capacity".

s. 45 (2, 3), repealed

4. Subsections 2 and 3 of section 45 of the said Act are repealed.

s. 55*b* (1), amended

5.—(1) Subsection 1 of section 55*b* of the said Act, as enacted by the Statutes of Ontario, 1972, chapter 126, section 8, is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the sixth and seventh lines.

s. 55*b*, amended

(2) The said section 55*b* is amended by adding thereto the following subsections:

Regional Council may approve by-law in whole or in part

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part and, where part of a by-law is approved only, that part only shall become operative.

Withdrawal of approval

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice.

s. 65, amended

6. Section 65 of the said Act, as amended by the Statutes of Ontario, 1972, chapter 126, section 12 and 1973, chapter 71, section 6, is further amended by adding thereto the following subsection:

Where Regional Council has no objection

(2*a*) Where the Regional Council notifies the council of the area municipality that the Regional Council does not object to such stopping up, the Regional Council shall have no further right to object under subsection 2 and the council of the area municipality may proceed to pass a by-law for the stopping up of the highway or part thereof concerned.

7. Subsection 6 of section 67*e* of the said Act, as enacted by the Statutes of Ontario, 1972, chapter 126, section 14, is repealed and the following substituted therefor: s. 67*e* (6), re-enacted

(6) If the Regional Corporation fails to make any payment as required by subsection 5, interest shall be payable thereon at the rate of 12 per cent per annum, or such lower rate as the council of the area municipality determines, from the date payment is due until it is made. Default

8. The said Act is further amended by adding thereto the following section: s. 99*a*, enacted

99*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act* whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council, pending the receipt of such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time. Temporary borrowing R.S.O. 1970, c. 332

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement, such moneys shall be applied first in repayment of the advances. Application of proceeds

9.—(1) Subsection 9 of section 100 of the said Act is amended by striking out "at one time and" in the first line. s. 100 (9), amended

(2) Subsection 30 of the said section 100 is amended by adding thereto the following clauses: s. 100 (30), amended

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

(3) The said section 100, as amended by the Statutes of Ontario, 1972, chapter 126, section 19, is further amended by adding thereto the following subsections: s. 100, amended

(42) A money by-law may authorize the issue of debentures of which a portion shall be payable on a fixed date with interest payable annually or semi-annually, in which case such debentures shall be known as term debentures. Term debentures

Amounts to be raised annually

(43) In respect of the term debentures, the by-law shall provide for raising,

(*a*) in each year of the currency of the term debentures, a sum sufficient to pay the interest on the term debentures; and

(*b*) in each year of the currency of the term debentures in which no other debentures issued under the same by-law become due and payable, a specific amount to form a retirement fund for the term debentures which, with interest at a rate not to exceed 5 per cent per annum compounded yearly, will be sufficient to pay the principal of the term debentures at maturity.

Retirement fund administration

(44) The retirement fund for the term debentures shall be administered by the sinking fund committee in all respects in the same manner as a sinking fund established under this section, and the provisions of subsections 21 to 41 of this section with respect to a sinking fund shall apply *mutatis mutandis* to such retirement fund.

All debentures rank equally

(45) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures.

s. 124 (1), re-enacted

10. Subsection 1 of section 124 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 138, section 19, and 1974, chapter 117, section 4, is repealed and the following substituted therefor:

Application of R.S.O. 1970, c. 284

(1) Section 5, Parts XV, XVI, XVII and XXI, sections 248*a*, 249 and 254, subsection 3 of section 308, paragraphs 3, 10, 11, 12 and 24 of section 352 and section 391 of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation.

s. 126, amended

11. Section 126 of the said Act, as re-enacted by the Statutes of Ontario, 1973, chapter 138, section 20, is amended by striking out "and may make annual grants for a period not exceeding five years, and upon the expiration of any such period may make similar grants for a further period not exceeding five years" in the fourth, fifth, sixth and seventh lines.

12. Section 127 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 5, is repealed. s. 127, repealed

13. Section 141 of the said Act is repealed. s. 141, repealed

PART II

THE REGIONAL MUNICIPALITY OF NIAGARA

14.—(1) Subsection 1*a* of section 3 of *The Regional Municipality of Niagara Act*, being chapter 406 of the Revised Statutes of Ontario, 1970, as enacted by the Statutes of Ontario, 1972, chapter 51, section 1, is repealed. s. 3 (1*a*), repealed

(2) Subsection 5 of the said section 3, as enacted by the Statutes of Ontario, 1974, chapter 30, section 1, is repealed and the following substituted therefor: s. 3 (5), re-enacted

(5) Where the Minister has divided or redivided an area municipality into wards by order made under subsection 3, such division or redivision remains in effect until altered by the Municipal Board. Effect of Minister's order

(5*a*) Notwithstanding the provisions of this or any other Act, upon the application of an area municipality authorized by a by-law of the council thereof, or upon the petition of electors in accordance with the provisions of section 13 of *The Municipal Act*, the Municipal Board may, by order, Alteration of wards, etc., by O.M.B. R.S.O. 1970, c. 284

(*a*) divide or redivide the area municipality into wards and shall designate the name or number that each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; and

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of the council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

s. 12 (4), amended

15. Subsection 4 of section 12 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty".

s. 25 (3), amended

16. Subsection 3 of section 25 of the said Act is amended by striking out "as an auditor" in the eighth and ninth lines and inserting in lieu thereof "for services within his professional capacity".

s. 77 (1), amended

17.—(1) Subsection 1 of section 77 of the said Act is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines.

s. 77, amended

(2) The said section 77 is amended by adding thereto the following subsections:

Regional Council may approve by-law in whole or in part

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part and, where part of a by-law is approved only, that part only shall become operative.

Withdrawal of approval

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice.

s. 87 (2), re-enacted

18. Subsection 2 of section 87 of the said Act is repealed and the following substituted therefor:

Default

(2) If the Regional Corporation fails to make any payment as required by clause *b* of subsection 1, interest shall be payable thereon at the rate of 12 per cent per annum, or such lower rate as the council of the area municipality determines, from the date payment is due until it is made.

s. 100 (4), re-enacted

19. Subsection 4 of section 100 of the said Act is repealed and the following substituted therefor:

Default

(4) If the Regional Corporation fails to make any payment as required by subsection 3, interest shall be payable thereon at the rate of 12 per cent per annum, or such lower rate as the council of the area municipality determines, from the date payment is due until it is made.

s. 134*a*, enacted

20. The said Act is amended by adding thereto the following section:

Temporary borrowing

R.S.O. 1970, c. 332

134*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act*,

whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council, pending the receipt of such moneys, may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time.

Application of proceeds

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement, such moneys shall be applied first in repayment of the advances.

21.—(1) Subsection 9 of section 135 of the said Act is amended by striking out "at one time and" in the first line. s. 135 (9), amended

(2) Subsection 30 of the said section 135 is amended by adding thereto the following clauses: s. 135 (30), amended

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

(3) The said section 135, as amended by the Statutes of Ontario, 1972, chapter 51, section 13, is further amended by adding thereto the following subsections: s. 135, amended

Term debentures

(42) A money by-law may authorize the issue of debentures of which a portion shall be payable on a fixed date with interest payable annually or semi-annually, in which case such debentures shall be known as term debentures.

Amounts to be raised annually

(43) In respect of the term debentures, the by-law shall provide for raising,

(*a*) in each year of the currency of the term debentures, a sum sufficient to pay the interest on the term debentures; and

(*b*) in each year of the currency of the term debentures in which no other debentures issued under the same by-law become due and payable, a specific amount to form a retirement fund for the term debentures which, with interest at a rate not to exceed 5 per cent per annum compounded yearly,

will be sufficient to pay the principal of the term debentures at maturity.

Retirement fund administration

(44) The retirement fund for the term debentures shall be administered by the sinking fund committee in all respects in the same manner as a sinking fund established under this section, and the provisions of subsections 21 to 41 of this section with respect to a sinking fund shall apply *mutatis mutandis* to such retirement fund.

All debentures rank equally

(45) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures.

s. 135*a*, enacted

22. The said Act is further amended by adding thereto the following section:

Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

135*a*. Notwithstanding any other provision of this Act,

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

interest ceases to accrue on date set for redemption

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof;

debentures to be redeemed may be purchased

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures

purchased by the Regional Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption;

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book; — notice to redeem to be sent by mail

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide; — notice to redeem to be published

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the Regional Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and — where only portion of debentures payable on fixed date

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year during the currency of debentures issued under this section shall be approximately equal. — annual amounts payable to be approximately equal

23. Section 143 of the said Act is amended by adding thereto the following subsections: — s. 143, amended

(4) A debenture may be registered as to both principal and interest in which case the interest thereon shall be paid by cheque and the debenture may be referred to as a fully registered debenture. — Registration of debenture as to principal and interest

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate. — When Debenture Registry Book may be maintained outside Canada

24. Subsection 1 of section 154 of the said Act, as re-enacted by the Statutes of Ontario, 1972, chapter 51, section 14 and — s. 154 (1), re-enacted

amended by 1973, chapter 158, section 6, and 1974, chapter 117, section 10, is repealed and the following substituted therefor:

Application of R.S.O. 1970, c. 284

(1) Section 5, Parts XV, XVI, XVII and XXI, sections 248*a*, 249 and 254, subsection 3 of section 308 and section 348, paragraphs 3, 10, 11, 12 and 24 of section 352, paragraph 61 of subsection 1 of section 354 and section 394 of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation.

s. 156, amended

25. Section 156 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 158, section 7, is further amended by striking out "and may make annual grants for a period not exceeding five years, and upon the expiration of any such period may make similar grants for a further period not exceeding five years" in the fifth, sixth and seventh lines.

s. 157, repealed

26. Section 157 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 11, is repealed.

PART III

THE REGIONAL MUNICIPALITY OF YORK

s. 3, amended

27.—(1) Section 3 of *The Regional Municipality of York Act*, being chapter 408 of the Revised Statutes of Ontario, 1970, as amended by the Statutes of Ontario, 1972, chapter 78, section 2, is further amended by adding thereto the following subsection:

Alteration of wards, etc., by O.M.B.

(3*a*) Notwithstanding the provisions of this or any other Act, upon the application of an area municipality authorized by a by-law of the council thereof, or upon the petition of electors in accordance with the provisions of section 13 of *The Municipal Act*, the Municipal Board may, by order,

R.S.O. 1970, c. 284

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; or

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area

municipality on the Regional Council as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of the council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

(2) The said section 3 is further amended by adding thereto the following subsection: s. 3, amended

(3*b*) The Minister may, by order, in the year 1976, notwithstanding the provisions of this or any other Act, on the recommendation of the council of the Town of Markham expressed by resolution, 1976 election, Markham

(*a*) provide for the system of election of persons as members of the council of the said Town;

(*b*) provide for the total number of persons to be elected as members of the council of the Town; and

(*c*) vary the date specified in section 17 of *The Municipal Elections Act, 1972*, 1972, c. 95

and provisions made under clauses *a* and *b* shall remain in effect until varied by the Municipal Board.

28. Subsection 4 of section 12 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty". s. 12 (4), amended

29. Subsection 3 of section 25 of the said Act is amended by striking out "as an auditor" in the eighth and ninth lines and inserting in lieu thereof "for services within his professional capacity". s. 25 (3), amended

30.—(1) Subsection 1 of section 77 of the said Act is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines. s. 77 (1), amended

(2) The said section 77 is amended by adding thereto the following subsections: s. 77, amended

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part and, where part of a by-law is approved only, that part only shall become operative. Regional Council may approve by-law in whole or in part

Withdrawal of approval

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice.

s. 129*a*, enacted

31. The said Act is amended by adding thereto the following section:

Temporary borrowing R.S.O. 1970, c. 332

129*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act*, whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council, pending the receipt of any such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time.

Application of proceeds

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement such moneys shall be applied first in repayment of the advances.

s. 130 (9), amended

32.—(1) Subsection 9 of section 130 of the said Act is amended by striking out "at one time and" in the first line.

s. 130 (30), amended

(2) Subsection 30 of the said section 130 is amended by adding thereto the following clauses:

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

s. 130, amended

(3) The said section 130, as amended by the Statutes of Ontario, 1972, chapter 78, section 17, is further amended by adding thereto the following subsections:

Term debentures

(42) A money by-law may authorize the issue of debentures of which a portion shall be payable on a fixed date with interest payable annually or semi-annually, in which case such debentures shall be known as term debentures.

(43) In respect of the term debentures, the by-law shall provide for raising, Amounts to be raised annually

(*a*) in each year of the currency of the term debentures, a sum sufficient to pay the interest on the term debentures; and

(*b*) in each year of the currency of the term debentures in which no other debentures issued under the same by-law become due and payable, a specific amount to form a retirement fund for the term debentures, which with interest at a rate not to exceed 5 per cent per annum compounded yearly, will be sufficient to pay the principal of the term debentures at maturity.

(44) The retirement fund for the term debentures shall be administered by the sinking fund committee in all respects in the same manner as a sinking fund established under this section, and the provisions of subsections 21 to 41 of this section with respect to a sinking fund shall apply *mutatis mutandis* to such retirement fund. Retirement fund administration

(45) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures. All debentures rank equally

33. The said Act is further amended by adding thereto the following section: s. 130*a*, enacted

130*a*. Notwithstanding any other provision of this Act, Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, interest ceases to accrue on date set for redemption

after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof;

debentures to be redeemed may be purchased

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the Regional Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption;

notice to redeem to be sent by mail

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book;

notice to redeem to be published

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide;

where only portion of debentures payable on fixed date

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the Regional Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and

annual amounts payable to be approximately equal

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year during the currency of debentures issued under this section shall be approximately equal.

s. 138, amended

34. Section 138 of the said Act is amended by adding thereto the following subsections:

Registration of debenture as to principal and interest

(4) A debenture may be registered as to both principal and interest in which case the interest thereon shall be paid by cheque and the debenture may be referred to as a fully registered debenture.

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate. When Debenture Registry Book may be maintained outside Canada

35. Subsection 1 of section 149 of the said Act, as amended by the Statutes of Ontario, 1972, chapter 153, section 1, 1973, chapter 156, section 7 and 1974, chapter 117, section 17, is repealed and the following substituted therefor: s. 149 (1), re-enacted

(1) Section 5, Parts XV, XVI, XVII and XXI, sections 246, 248*a*, 249 and 254, subsection 3 of section 308, section 348 and paragraphs 3, 10, 11, 12 and 24 of section 352 of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation. Application of R.S.O. 1970, c. 284

36. Section 151 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 156, section 8, is further amended by striking out "and may make annual grants for a period not exceeding five years, and upon the expiration of any such period may make similar grants for a further period not exceeding five years" in the fifth, sixth and seventh lines. s. 151, amended

37. Section 152 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 18, is repealed. s. 152, repealed

PART IV

THE REGIONAL MUNICIPALITY OF WATERLOO

38. Section 3 of *The Regional Municipality of Waterloo Act, 1972*, being chapter 105, is amended by adding thereto the following subsection: s. 3, amended

(3*a*) Notwithstanding the provisions of this or any other Act, upon the application of an area municipality authorized by a by-law of the council thereof, or upon the petition of electors in accordance with the provisions of section 13 of *The Municipal Act*, the Municipal Board may, by order, Alteration of wards, etc., by O.M.B. R.S.O. 1970, c. 284

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; or

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area municipality on the Regional Council as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of the council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

s. 13 (4), amended

39. Subsection 4 of section 13 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty".

s. 26 (3), amended

40. Subsection 3 of section 26 of the said Act is amended by striking out "as an auditor" in the ninth and tenth lines and inserting in lieu thereof "for services within his professional capacity".

s. 27 (4, 5), re-enacted

41. Subsections 4 and 5 of section 27 of the said Act are repealed and the following substituted therefor:

Sick leave credits

(4) Where the Regional Corporation or a local board thereof, before the 1st day of July, 1976, employs, or thereafter is required to employ a person theretofore employed by a local municipality or a local board thereof within the Regional Area or by the County of Waterloo or a local board thereof, the employee shall be deemed to remain an employee of the municipality or local board thereof until the Regional Corporation or local board thereof has established a sick leave credit plan for its employees, and the employees are entitled to receive such benefits from the Regional Corporation, whereupon the Regional Corporation or local board thereof shall place to the credit of the employee the sick leave credits standing to his credit in the plan of the municipality or local board thereof.

Holidays

(5) Where the Regional Corporation or a local board thereof, before the 1st day of July, 1976, employs or thereafter is required to employ a person theretofore employed by a local municipality or a local board thereof within the Regional Area or by the County of Waterloo or a local board

thereof or a roads commission, the Regional Corporation or local board thereof shall, during the first year of his employment by the Regional Corporation or local board thereof, provide for such employee's holidays with pay equivalent to those to which he would have been entitled if he had remained in the employment of the municipality or local board thereof.

s. 80 (1), amended

42.—(1) Subsection 1 of section 80 of the said Act is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines.

s. 80, amended

(2) The said section 80 is amended by adding thereto the following subsections:

Regional Council may approve by-law in whole or in part

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part and, where part of a by-law is approved only, that part only shall become operative.

Withdrawal of approval

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice.

s. 134*a*, enacted

43. The said Act is amended by adding thereto the following section:

Temporary borrowing R.S.O. 1970, c. 332

134*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act* whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council pending the receipt of such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time.

Application of proceeds

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement such moneys shall be applied first in repayment of the advances.

s. 138 (11), amended

44.—(1) Subsection 11 of section 138 of the said Act is amended by striking out "at one time and" in the first line.

s. 138 (32), amended

(2) Subsection 32 of the said section 138 is amended by adding thereto the following clauses:

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

s. 138, amended

(3) The said section 138 is amended by adding thereto the following subsections:

Term debentures

(44) A money by-law may authorize the issue of debentures of which a portion shall be payable on a fixed date with interest payable annually or semi-annually, in which case such debentures shall be known as term debentures.

Amounts to be raised annually

(45) In respect of the term debentures, the by-law shall provide for raising,

(*a*) in each year of the currency of the term debentures, a sum sufficient to pay the interest on the term debentures; and

(*b*) in each year of the currency of the term debentures in which no other debentures issued under the same by-law become due and payable, a specific amount to form a retirement fund for the term debentures which, with interest at a rate not to exceed 5 per cent per annum compounded yearly, will be sufficient to pay the principal of the term debentures at maturity.

Retirement fund administration

(46) The retirement fund for the term debentures shall be administered by the sinking fund committee in all respects in the same manner as a sinking fund established under this section, and the provisions of subsections 23 to 43 of this section with respect to a sinking fund shall apply *mutatis mutandis* to such retirement fund.

All debentures rank equally

(47) Notwithstanding the provision of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures.

s. 138*a*, enacted

45. The said Act is further amended by adding thereto the following section:

138*a*. Notwithstanding any other provision of this Act,

Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

interest ceases to accrue on date set for redemption

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof;

debentures to be redeemed may be purchased

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the Regional Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption;

notice to redeem to be sent by mail

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book;

notice to redeem to be published

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide;

where only portion of debentures payable on fixed date

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the Regional Corporation to redeem by lot

annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and

annual amounts payable to be approximately equal

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year during the currency of debentures issued under this section shall be approximately equal.

s. 146, amended

46. Section 146 of the said Act is amended by adding thereto the following subsections:

Registration of debenture as to principal and interest

(4) A debenture may be registered as to both principal and interest in which case the interest thereon shall be paid by cheque and the debenture may be referred to as a fully registered debenture.

Where Debenture Registry Book may be maintained outside Canada

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate.

s. 158 (1), re-enacted

47. Subsection 1 of section 158 of the said Act, as amended by the Statutes of Ontario, 1972, chapter 164, section 3, 1973, chapter 137, section 9 and 1974, chapter 117, section 23, is repealed and the following substituted therefor:

Application of R.S.O. 1970, c. 284

(1) Section 5, Parts XV, XVI, XVII and XXI, sections 246, 248*a*, 249 and 254, subsection 3 of section 308, section 348 and paragraphs 3, 10, 11, 12 and 24 of section 352 of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation.

s. 160, amended

48. Section 160 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 137, section 10, is further amended by striking out "and may make annual grants for a period not exceeding five years, and upon the expiration of any such period may make similar grants for a further period not exceeding five years" in the fifth, sixth, seventh and eighth lines.

s. 161, repealed

49. Section 161 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 24, is repealed.

PART V

THE REGIONAL MUNICIPALITY OF SUDBURY

50. Section 3 of *The Regional Municipality of Sudbury Act, 1972*, being chapter 104, as amended by the Statutes of Ontario, 1972, chapter 167, section 1, 1974, chapter 54, section 1 and 1975, chapter 46, section 12, is further amended by adding thereto the following subsection: s. 3, amended

(3*a*) Notwithstanding the provisions of this or any other Act, upon the application of an area municipality authorized by a by-law of the council thereof, or upon the petition of electors in accordance with the provisions of section 13 of *The Municipal Act*, the Municipal Board may, by order, Alteration of wards, etc., by O.M.B. R.S.O. 1970, c. 284

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect;

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area municipality on the Regional Council as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of the council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

51. Subsection 4 of section 13 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty". s. 13 (4), amended

52. Subsection 3 of section 26 of the said Act is amended by striking out "as an auditor" in the ninth line and inserting in lieu thereof "for services within his professional capacity". s. 26 (3), amended

53.—(1) Subsection 1 of section 65 of the said Act is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines. s. 65 (1), amended

s. 65, amended

(2) The said section 65 is amended by adding thereto the following subsections:

Regional Council may approve by-law in whole or in part

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part and, where part of a by-law is approved only, that part only shall become operative.

Withdrawal of approval

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice.

s. 94*a*, enacted

54. The said Act is amended by adding thereto the following section:

Temporary borrowing
R.S.O. 1970, c. 332

94*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act* whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council, pending the receipt of such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time.

Application of proceeds

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement, such moneys shall be applied first in repayment of the advances.

s. 95 (11), amended

55.—(1) Subsection 11 of section 95 of the said Act is amended by striking out "at one time and" in the first line.

s. 95 (32), amended

(2) Subsection 32 of the said section 95 is amended by adding thereto the following clauses:

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

s. 95, amended

(3) The said section 95 is amended by adding thereto the following subsections:

Term debentures

(44) A money by-law may authorize the issue of debentures of which a portion shall be payable on a fixed date with interest payable annually or semi-annually, in which case such debentures shall be known as term debentures.

Amounts to be raised annually

(45) In respect of the term debentures, the by-law shall provide for raising,

(*a*) in each year of the currency of the term debentures, a sum sufficient to pay the interest on the term debentures; and

(*b*) in each year of the currency of the term debentures in which no other debentures issued under the same by-law become due and payable, a specific amount to form a retirement fund for the term debentures which, with interest at a rate not to exceed 5 per cent per annum compounded yearly, will be sufficient to pay the principal of the term debentures at maturity.

Retirement fund administration

(46) The retirement fund for the term debentures shall be administered by the sinking fund committee in all respects in the same manner as a sinking fund established under this section, and the provisions of subsections 23 to 43 of this section with respect to a sinking fund shall apply *mutatis mutandis* to such retirement fund.

All debentures rank equally

(47) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures.

56. The said Act is further amended by adding thereto the following section: s. 95*a*, enacted

95*a*. Notwithstanding any provision of this Act,

Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

interest ceases to accrue on date set for redemption

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof;

debentures to be redeemed may be purchased

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the Regional Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption;

notice to redeem to be sent by mail

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book;

notice to redeem to be published

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide;

where only portion of debentures payable on fixed date

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the Regional Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and

annual amounts payable to be approximately equal

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year during the currency of debentures issued under this section shall be approximately equal.

s. 103, amended

57. Section 103 of the said Act is amended by adding thereto the following subsections:

(4) A debenture may be registered as to both principal and interest in which case the interest thereon shall be paid by cheque and the debenture may be referred to as a fully registered debenture. Registration of debenture as to principal and interest

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate. When Debenture Registry Book may be maintained outside Canada

58. Subsection 1 of section 115 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 139, section 11, and 1974, chapter 117, section 31, is repealed and the following substituted therefor: s. 115 (1), re-enacted

(1) Section 5, Parts XV, XVI, XVII and XXI, sections 248*a*, 249 and 254, subsection 3 of section 308, section 348 and paragraphs 3, 10, 11, 12 and 24 of section 352 of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation. Application of R.S.O. 1970, c. 284

59. Section 117 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 32, is amended by striking out "and may make annual grants for a period not exceeding five years, and upon the expiration of any such period may make similar grants for a further period not exceeding five years" in the fifth, sixth, seventh and eighth lines. s. 117, amended

60. Section 118 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 33, is repealed. s. 118, repealed

PART VI

THE REGIONAL MUNICIPALITY OF PEEL

61. Section 3 of *The Regional Municipality of Peel Act, 1973*, being chapter 60, is amended by adding thereto the following subsections: s. 3, amended

(3*a*) Notwithstanding the provisions of this or any other Act, upon the application of an area municipality authorized by a by-law of the council thereof, or upon the petition of electors in accordance with the provisions of section 13 of *The Municipal Act*, the Municipal Board may, by order, Alteration of wards, etc., by O.M.B. R.S.O. 1970, c. 284

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; and

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area municipality on the Regional Council as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

s. 13 (4), amended

62. Subsection 4 of section 13 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty".

s. 26 (3), re-enacted

63. Subsection 3 of section 26 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 35, is repealed and the following substituted therefor:

Disqualification of auditors

(3) No person shall be appointed as an auditor of the Regional Corporation who is or during the preceding year was a member of the Regional Council or of the council of an area municipality or of any local board, the accounts and transactions of which it would as auditor be his duty to audit, or who has or during the preceding year had any direct or indirect interest in any contract with the Regional Corporation or an area municipality or any such local board, or any employment with any of them other than for services within his professional capacity.

s. 41 (1), amended

64.—(1) Subsection 1 of section 41 of the said Act is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines.

(2) The said section 41 is amended by adding thereto the following subsections: s. 41, amended

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part and, where part of a by-law is approved only, that part only shall become operative. Regional Council may approve by-law in whole or in part

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice. Withdrawal of approval

65. The said Act is amended by adding thereto the following section: s. 91*a*, enacted

91*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act* whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council, pending the receipt of such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time. Temporary borrowing R.S.O. 1970, c. 332

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement such moneys shall be applied first in repayment of the advances. Application of proceeds

66.—(1) Subsection 11 of section 96 of the said Act is amended by striking out "at one time and" in the first line. s. 96 (11), amended

(2) Subsection 32 of the said section 96 is amended by adding thereto the following clauses: s. 96 (32), amended

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

(3) Subsection 46 of the said section 96 is amended by striking out "25 to 41" in the fourth line and inserting in lieu thereof "23 to 43". s. 96 (46), amended

s. 96, amended

(4) The said section 96 is amended by adding thereto the following subsection:

All debentures rank equally

(47) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures.

s. 96*a*, enacted

67. The said Act is further amended by adding thereto the following section:

Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

96*a*. Notwithstanding any other provision of this Act,

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

interest ceases to accrue on date set for redemption

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof;

debentures to be redeemed may be purchased

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the Regional Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption;

notice to redeem to be sent by mail

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person,

if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book;

notice to redeem to be published

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide;

where only portion of debentures payable on fixed date

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the Regional Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and

annual amounts payable to be approximately equal

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year during the currency of debentures issued under this section shall be approximately equal.

68. Section 104 of the said Act is amended by adding thereto the following subsection: s. 104, amended

When Debenture Registry Book may be maintained outside Canada

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate.

69. Subsection 1 of section 115 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 161, section 6, and 1974, chapter 117, section 37, is repealed and the following substituted therefor: s. 115 (1), re-enacted

Application of R.S.O. 1970, c. 284

(1) Sections 5, 217, 223, 224, 229, 231, 232, 233 and 235, subsections 1, 4 and 5 of section 237, sections 238, 239, 245, 248*a*, 249, 250, 254, subsection 3 of section 308, section 348 and paragraphs 3, 9, 10, 11, 12, 24, 63, 64, 65, 66 and 67 of section 352 and Parts XV, XVI, XVII and XXI of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation.

70. Subsection 1 of section 117 of the said Act is amended by striking out "and may make annual grants for a period not exceeding five years" in the fourth and fifth lines. s. 117 (1), amended

s. 118, repealed

71. Section 118 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 38, is repealed.

PART VII

THE REGIONAL MUNICIPALITY OF HALTON

s. 2 (1) (*a*), amended

72. Clause *a* of subsection 1 of section 2 of *The Regional Municipality of Halton Act, 1973*, being chapter 70, is amended by inserting after "municipality" in the second line "successor to The Corporation of the Town of Burlington".

s. 3, amended

73. Section 3 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 162, section 2, is further amended by adding thereto the following subsection:

Alteration of wards, etc., by O.M.B.

R.S.O. 1970, c. 284

(3*a*) Upon the application of an area municipality authorized by a by-law of the council thereof, or upon the petition of electors in accordance with the provisions of section 13 of *The Municipal Act*, the Municipal Board may, by order,

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; and

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area municipality on the Regional Council as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

s. 13 (4), amended

74. Subsection 4 of section 13 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty".

75. Subsection 3 of section 26 of the said Act is amended by striking out "as an auditor" in the ninth line and inserting in lieu thereof "for services within his professional capacity". s. 26 (3), amended

76.—(1) Subsection 1 of section 41 of the said Act is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines. s. 41 (1), amended

(2) The said section 41 is amended by adding thereto the following subsections: s. 41, amended

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part and, where part of a by-law is approved only, that part only shall become operative. Regional Council may approve by-law in whole or in part

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice. Withdrawal of approval

77. The said Act is amended by adding thereto the following section: s. 91*a*, enacted

91*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act*, whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council pending the receipt of any such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time. Temporary borrowing R.S.O. 1970, c. 332

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement, such moneys shall be applied first in repayment of the advances. Application of proceeds

78.—(1) Subsection 11 of section 96 of the said Act is amended by striking out "at one time and" in the first line. s. 96 (11), amended

(2) Subsection 32 of the said section 96 is amended by adding thereto the following clauses: s. 96 (32), amended

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

s. 96 (46), amended

(3) Subsection 46 of the said section 96 is amended by striking out "25 to 41" in the fourth line and inserting in lieu thereof "23 to 43".

s. 96, amended

(4) The said section 96 is amended by adding thereto the following subsection:

All debentures rank equally

(47) Notwithstanding the provisions of any general or special Act or any difference in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures.

s. 96*a*, enacted

79. The said Act is further amended by adding thereto the following section:

96*a*. Notwithstanding any other provisions of this Act,

Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

interest ceases to accrue on date set for redemption

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof;

debentures to be redeemed may be purchased

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the Regional Corporation, at a price

or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption;

notice to redeem to be sent by mail

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book;

notice to redeem to be published

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide;

where only portion of debentures payable on fixed date

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the Regional Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and

annual amounts payable to be approximately equal

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year during the currency of debentures issued under this section shall be approximately equal.

80. Section 104 of the said Act is amended by adding thereto the following subsection: s. 104, amended

When Debenture Registry Book may be maintained outside Canada

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate.

81. Subsection 1 of section 115 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 162, section 8, and 1974, chapter 117, section 42, is repealed and the following substituted therefor: s. 115 (1), re-enacted

Application of R.S.O. 1970, c. 284

(1) Sections 5, 217, 223, 224, 229, 231, 232, 233 and 235, subsections 1, 4 and 5 of section 237, sections 238, 239, 245, 248*a*, 249, 250, 254, subsection 3 of section 308 and section 348 and paragraphs 3, 9, 10, 11, 12, 24, 44, 63, 64, 65, 66 and 67 of section 352 and Parts XV, XVI, XVII and

XXI of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation.

s. 117 (1), amended

82. Subsection 1 of section 117 of the said Act is amended by striking out "and may make annual grants for a period not exceeding five years, and upon the expiration of any such period may make similar grants for a further period not exceeding five years" in the fourth, fifth, sixth and seventh lines.

s. 118, repealed

83. Section 118 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 43, is repealed.

PART VIII

THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

s. 3, amended

84.—(1) Section 3 of *The Regional Municipality of Hamilton-Wentworth Act, 1973*, being chapter 74, is amended by adding thereto the following subsection:

Alteration of wards, etc., by O.M.B.

R.S.O. 1970, c. 284

(3*a*) Upon the application of an area municipality authorized by a by-law of the council thereof, or upon the petition of electors in accordance with the provisions of section 13 of *The Municipal Act*, the Municipal Board may, by order,

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; and

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area municipality on the Regional Council as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of the council of the area municipality, and shall be a

member of the Regional Council, as provided for in this Act.

(2) The said section 3 is further amended by adding thereto the following subsection: s. 3, amended

(3*b*) The Minister may, by order, in the year 1976, notwithstanding the provisions of this or any other Act, on the recommendation of the council of the Township of Glanbrook expressed by resolution, 1976 election, Glanbrook

(*a*) provide for the system of election of persons as members of the council of the said Township;

(*b*) provide for the method of election of the representative of the Township to the Regional Council;

(*c*) provide for the total number of persons to be elected as members of the council of the Township; and

(*d*) vary the date specified in section 17 of *The Municipal Elections Act, 1972*, 1972, c. 95

and provisions made under clauses *a*, *b*, and *c* shall remain in effect until varied by the Municipal Board.

85. Subsection 4 of section 13 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty". s. 13 (4), amended

86. Subsection 3 of section 26 of the said Act is amended by striking out "as an auditor" in the ninth and tenth lines and inserting in lieu thereof "for services within his professional capacity". s. 26 (3), amended

87.—(1) Subsection 1 of section 41 of the said Act is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines. s. 41 (1), amended

(2) The said section 41 is amended by adding thereto the following subsections: s. 41, amended

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part and, where part of a by-law is approved only, that part only shall become operative. Regional Council may approve by-law in whole or in part

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered Withdrawal of approval

mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice.

s. 91*a*, enacted

88. The said Act is amended by adding thereto the following section:

Temporary borrowing R.S.O. 1970, c. 332

91*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act* whereby the Regional Corporation is entitled to receive moneys from the Crown, the Region Council pending the receipt of such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time.

Application of proceeds

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement such moneys shall be applied first in repayment of the advances.

s. 96 (11), amended

89.—(1) Subsection 11 of section 96 of the said Act is amended by striking out "at one time and" in the first line.

s. 96 (32), amended

(2) Subsection 32 of the said section 96 is amended by adding thereto the following clauses:

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

s. 96 (46), amended

(3) Subsection 46 of the said section 96 is amended by striking out "25 to 41" in the fourth line and inserting in lieu thereof "23 to 43".

s. 96, amended

(4) The said section 96 is amended by adding thereto the following subsection:

All debentures rank equally

(47) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except

as to the availability of any sinking funds applicable to any particular issue of debentures.

90. The said Act is further amended by adding thereto the following section: s. 96*a*, enacted

96*a*. Notwithstanding any other provision of this Act, Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof; interest ceases to accrue on date set for redemption

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the Regional Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption; debentures to be redeemed may be purchased

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book; notice to redeem to be sent by mail

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date notice to redeem to be published

set for such redemption in such manner as the by-law may provide;

where only portion of debentures payable on fixed date

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the Regional Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and

annual amounts payable to be approximately equal

(*g*) the aggregate amounts of principal and interest, or the amounts of principal payable in each year during the currency of debentures issued under this section shall be approximately equal.

s. 104, amended

91. Section 104 of the said Act is amended by adding thereto the following subsection:

When Debenture Registry Book may be maintained outside Canada

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate.

s. 115 (1), re-enacted

92. Subsection 1 of section 115 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 163, section 7 and 1974, chapter 117, section 47, is repealed and the following substituted therefor:

Application of R.S.O. 1970, c. 284

(1) Sections 5, 217, 223, 224, 229, 231, 232, 233 and 235, subsections 1, 4 and 5 of section 237, sections 238, 239, 245, 248*a*, 249, 250, 254, subsection 3 of section 308 and section 348 and paragraphs 3, 9, 10, 11, 12, 24, 44, 63, 64, 65, 66 and 67 of section 352 and Parts XV, XVI, XVII and XXI of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation.

s. 117 (1), amended

93. Subsection 1 of section 117 of the said Act is amended by striking out "and may make annual grants for a period not exceeding five years, and upon the expiration of any such period may make similar grants for a further period not exceeding five years" in the fourth, fifth, sixth and seventh lines.

94. Section 118 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 48, is repealed. s. 118, repealed

95. The following are repealed: Repeals

1. *An Act to incorporate a joint stock company for the purpose of supplying the City of Hamilton with Water*, being CAP LXVI of the Statutes of the Province of Canada, 1852.

2. *An Act to vest in The Corporation of the City of Hamilton the Waterworks of that City*, being CAP LVI of the Statutes of the Province of Canada, 1861.

3. *An Act to amend the Acts relating to the Waterworks of the City of Hamilton*, being chapter 59 of the Statutes of Ontario, 1885.

PART IX

THE REGIONAL MUNICIPALITY OF DURHAM

96. Section 3 of *The Regional Municipality of Durham Act, 1973*, being chapter 78, is amended by adding thereto the following subsection: s. 3, amended

(3*a*) Upon the application of an area municipality authorized by a by-law of the council thereof, or upon the petition of electors in accordance with the provisions of section 13 of *The Municipal Act*, the Municipal Board may, by order, Alteration of wards, etc., by O.M.B. R.S.O. 1970, c. 284

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; and

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area municipality on the Regional Council, as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of the council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

s. 13 (4), amended

97. Subsection 4 of section 13 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty".

s. 26 (3), amended

98. Subsection 3 of section 26 of the said Act is amended by striking out "as an auditor" in the ninth and tenth lines and inserting in lieu thereof "for services within his professional capacity".

s. 42 (1), amended

99.—(1) Subsection 1 of section 42 of the said Act is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines.

s. 42, amended

(2) The said section 42 is amended by adding thereto the following subsections:

Regional Council may approve by-law in whole or in part

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part, and where part of a by-law is approved only, that part only shall become operative.

Withdrawal of approval

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice.

s. 103*a*, enacted

100. The said Act is amended by adding thereto the following section:

Temporary borrowing

R.S.O. 1970, c. 332

103*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act* whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council, pending the receipt of such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time.

Application of proceeds

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be

bound to see the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement such moneys shall be applied first in repayment of the advances.

101.—(1) Subsection 11 of section 104 of the said Act is amended by striking out "at one time and" in the first line. s. 104 (11), amended

(2) Subsection 32 of the said section 104 is amended by adding thereto the following clauses: s. 104 (32), amended

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

(3) Subsection 46 of the said section 104 is amended by striking out "25 to 41" in the fourth line and inserting in lieu thereof "23 to 43". s. 104 (46), amended

(4) The said section 104 is amended by adding thereto the following subsection: s. 104, amended

(47) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures. All debentures rank equally

102. The said Act is further amended by adding thereto the following section: s. 104*a*, enacted

104*a*. Notwithstanding any other provisions of this Act,

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section; Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

interest ceases to accrue on date set for redemption

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof;

debentures to be redeemed may be purchased

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the Regional Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption;

notice to redeem to be sent by mail

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book;

notice to redeem to be published

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide;

where only portion of debentures payable on fixed date

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the Regional Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and

annual amounts payable to be approximately equal

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year during the currency of debentures issued under this section shall be approximately equal.

s. 112, amended

103. Section 112 of the said Act is amended by adding thereto the following subsection:

When Debenture Registry Book may be maintained outside Canada

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the

Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate.

104. Subsection 1 of section 123 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 147, section 10 and 1974, chapter 117, section 52, is repealed and the following substituted therefor: s. 123 (1), re-enacted

(1) Sections 5, 217, 223, 224, 229, 231, 232, 233 and 235, subsections 1, 4 and 5 of section 237, sections 238, 239, 245, 248*a*, 249, 250 and 254, subsection 3 of section 308 and section 348 and paragraphs 3, 9, 10, 11, 12, 24, 63, 64, 65, 66 and 67 of section 352 and Parts XV, XVI, XVII and XXI of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation. Application of R.S.O. 1970, c. 284

105. Subsection 1 of section 125 of the said Act is amended by striking out "and may make annual grants for such purposes" in the fourth and fifth lines. s. 125 (1), amended

106. Section 126 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 117, section 53, is repealed. s. 126, repealed

PART X

THE REGIONAL MUNICIPALITY OF HALDIMAND-NORFOLK

107. Section 3 of *The Regional Municipality of Haldimand-Norfolk Act, 1973*, being chapter 96, is amended by adding thereto the following subsection: s. 3, amended

(3*a*) Upon the application of an area municipality authorized by a by-law of the council thereof, or upon the petition of electors in accordance with the provisions of section 13 of *The Municipal Act*, the Municipal Board may, by order, Alteration of wards, etc., by O.M.B. R.S.O. 1970, c. 284

(*a*) divide or redivide the area municipality into wards, and shall designate the name or number each ward shall bear and shall declare the date when the division or redivision shall take effect;

(*b*) alter or dissolve any or all of the wards in the area municipality and shall declare the date when such alterations or dissolutions shall take effect; and

(*c*) vary the composition of the council of the area municipality,

provided that,

(*d*) no order made under this section shall alter the total number of members who represent the area municipality on the Regional Council, as provided for in this Act; and

(*e*) the mayor of the area municipality shall continue to be elected by a general vote of the electors of the area municipality, and shall be the head of the council of the area municipality, and shall be a member of the Regional Council, as provided for in this Act.

s. 13 (4), amended

108. Subsection 4 of section 13 of the said Act is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty".

s. 26 (3), amended

109. Subsection 3 of section 26 of the said Act is amended by striking out "as an auditor" in the ninth line and inserting in lieu thereof "for services within his professional capacity".

s. 41 (1), amended

110.—(1) Subsection 1 of section 41 of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 155, section 4, is amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines.

s. 41, amended

(2) The said section 41 is amended by adding thereto the following subsections:

Regional Council may approve by-law in whole or in part

(1*a*) A by-law submitted for approval of the Regional Council in compliance with subsection 1 may be approved in whole or in part, and where part of the by-law is approved only, that part only shall become operative.

Withdrawal of approval

(1*b*) The Regional Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality, and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice.

s. 99*a*, enacted

111. The said Act is amended by adding thereto the following section:

Temporary borrowing R.S.O. 1970, c. 332

99*a*.—(1) Where the Regional Corporation has entered into an agreement under *The Ontario Water Resources Act* whereby the Regional Corporation is entitled to receive moneys from the Crown, the Regional Council, pending the receipt of such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time.

Application of proceeds

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the Regional Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the Regional Corporation has received the moneys to which it is entitled from the Crown under the said agreement such moneys shall be applied first in repayment of the advances.

s. 100 (11), amended

112.—(1) Subsection 11 of section 100 of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 155, section 4, is amended by striking out "at one time and" in the first line.

s. 100 (32), amended

(2) Subsection 32 of the said section 100 is amended by adding thereto the following clauses:

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

s. 100 (46), amended

(3) Subsection 46 of the said section 100 is amended by striking out "25 to 41" in the fourth line, and inserting in lieu thereof "23 to 43".

s. 100, amended

(4) The said section 100 is amended by adding thereto the following subsection:

All debentures rank equally

(47) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the Regional Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures.

s. 100*a*, enacted

113. The said Act is further amended by adding thereto the following section:

Debentures payable on a fixed date subject to the annual redemption by lot of a specified principal amount

100*a*. Notwithstanding any other provision of this Act,

(*a*) a money by-law of the Regional Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the Regional Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the Regional Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

interest ceases to accrue on date set for redemption

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the Regional Corporation for the payment of the principal amount thereof;

debentures to be redeemed may be purchased

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the Regional Corporation at a public meeting of the Regional Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the Regional Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption;

notice to redeem to be sent by mail

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book;

notice to redeem to be published

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide;

where only portion of debentures payable on fixed date

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation

of the Regional Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year during the currency of debentures issued under this section shall be approximately equal. annual amounts payable to be approximately equal

114. Section 108 of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 155, section 4, is amended by adding thereto the following subsection: s. 108, amended

(5) Where debentures are payable in a currency other than that of Canada, the Regional Council may provide that the Debenture Registry Book of the Regional Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and make such other provisions for the registration and transfer of such debentures as the Regional Council considers appropriate. When Debenture Registry Book may be maintained outside Canada

115. Subsection 1 of section 119 of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 155, section 4 and amended by 1974, chapter 117, section 57, is repealed and the following substituted therefor: s. 119 (1), re-enacted

(1) Sections 5, 217, 223, 224, 229, 231, 232, 233 and 235, subsections 1, 4 and 5 of section 237, sections 238, 239, 245, 248*a*, 249, 250, 254, subsection 3 of section 308 and section 348 and paragraphs 3, 9, 10, 11, 12, 24, 63, 64, 65, 66, 67 and 74 of section 352 and Parts XV, XVI, XVII and XXI of *The Municipal Act* apply *mutatis mutandis* to the Regional Corporation. Application of R.S.O. 1970, c. 284

116. Subsection 1 of section 121 of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 155, section 4, is amended by striking out "and may make annual grants for such purposes" in the fourth and fifth lines. s. 121 (1), amended

117. Section 122 of the said Act, as enacted by the Statutes of Ontario, 1973, chapter 155, section 4, and amended by 1974, chapter 117, section 58, is repealed. s. 122, repealed

MISCELLANEOUS

118.—(1) This Act, except subsection 2 of section 27 and subsection 2 of section 84, comes into force on the day it receives Royal Assent. Commencement

Idem

(2) Subsection 2 of section 27 and subsection 2 of section 84 shall be deemed to have come into force on the 31st day of March, 1976.

Short title

119. This Act may be cited as *The Regional Municipalities Amendment Act, 1976*.



The Regional Municipalities
Amendment Act, 1976

1st Reading

April 14th, 1976

2nd Reading

June 1st, 1976

3rd Reading

June 8th, 1976

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and
Minister of Economics and
Intergovernmental Affairs

1976

3rd Session, 30th Legislature, Ontario
25 Elizabeth II, 1976

An Act to amend The Dead Animal Disposal Act

The Hon. W. Newman
Minister of Agriculture and Food

TORONTO
Printed by J. C. Thatcher, Queen's Printer for Ontario

Explanatory Notes

Section 1. The activities mentioned in the new subsection are prohibited.

Section 2. Section 11 of the Act authorizes the Lieutenant Governor in Council to make regulations. The new clause *aa* of section 11 is complementary to subsection 1 of section 5*b* of the Act.

BILL 56 **1976**

An Act to amend The Dead Animal Disposal Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

s. 4, amended

1. Section 4 of *The Dead Animal Disposal Act*, being chapter 105 of the Revised Statutes of Ontario, 1970, as amended by the Statutes of Ontario, 1972, chapter 60, section 4, is further amended by adding thereto the following subsection:

Prohibition against sale, etc.

(4) No person shall give, sell, offer for sale, process, transport or deliver to any person as food for human consumption meat obtained from a dead animal.

s. 11, amended

2. Section 11 of the said Act, as amended by the Statutes of Ontario, 1972, chapter 60, section 8, is further amended by adding thereto the following clause:

(*aa*) prescribing grounds for the refusal to renew, suspension or revocation of licences in addition to those grounds mentioned in clauses *a* and *b* of subsection 1 of section 5*b*.

Commencement

3. This Act comes into force on the day it receives Royal Assent.

Short title

4. This Act may be cited as *The Dead Animal Disposal Amendment Act, 1976*.

An Act to amend
The Dead Animal Disposal Act

1st Reading

April 14th, 1976

2nd Reading

3rd Reading

THE HON. W. NEWMAN
Minister of Agriculture and Food

(*Government Bill*)

1976

BILL 56

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Dead Animal Disposal Act

THE HON. W. NEWMAN
Minister of Agriculture and Food

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 56 **1976**

An Act to amend The Dead Animal Disposal Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 4 of *The Dead Animal Disposal Act*, being chapter 105 of the Revised Statutes of Ontario, 1970, as amended by the Statutes of Ontario, 1972, chapter 60, section 4, is further amended by adding thereto the following subsection: s. 4, amended

(4) No person shall give, sell, offer for sale, process, transport or deliver to any person as food for human consumption meat obtained from a dead animal. Prohibition against sale, etc.

2. Section 11 of the said Act, as amended by the Statutes of Ontario, 1972, chapter 60, section 8, is further amended by adding thereto the following clause: s. 11, amended

(*aa*) prescribing grounds for the refusal to renew, suspension or revocation of licences in addition to those grounds mentioned in clauses *a* and *b* of subsection 1 of section 5*b*.

3. This Act comes into force on the day it receives Royal Assent. Commencement

4. This Act may be cited as *The Dead Animal Disposal Amendment Act, 1976*. Short title

An Act to amend
The Dead Animal Disposal Act

1st Reading

April 14th, 1976

2nd Reading

April 20th, 1976

3rd Reading

April 20th, 1976

THE HON. W. NEWMAN
Minister of Agriculture and Food

1976

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Condominium Act

MR. LELUK

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Notes

Section 1. The new subsection sets out qualifications to be met by a person serving as director of a condominium corporation. A candidate for a directorship would therefore have to be eighteen years of age or over, an owner in the corporation and the holder of a condominium director's certificate issued by a prescribed institution where such a course is being offered or such other qualifications as may be prescribed by the Regulations.

The subsection would also allow directors to be paid where the declaration so stipulates.

Section 2.—Subsection 1. The section requires that notices for meetings be in a prescribed form.

Subsection 2. The new subsection 5*a* is enacted to eliminate the expensive practice whereby corporations always have to call two meetings to get a quorum. The new section would allow corporations to call a meeting notwithstanding that a quorum of members may not be present. The section would therefore encourage better attendance at meetings of the corporation.

The new subsection 5*b* provides that proxies must be in a prescribed form. The intention is to make owners more aware of what they are signing when they sign a proxy.

BILL 57 **1976**

An Act to amend The Condominium Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 9 of *The Condominium Act*, being chapter 77 of the Revised Statutes of Ontario, 1970, as amended by the Statutes of Ontario, 1974, chapter 133, section 5, is further amended by adding thereto the following subsection: s. 9, amended

(5*a*) Each member of the board of directors elected under subsection 5 shall be, Qualifications of directors

(*a*) eighteen years of age or over;

(*b*) an owner in the corporation;

(*c*) the holder of a condominium director's certificate issued by a prescribed institution or such other qualifications as may be prescribed by the regulations; and

(*d*) entitled to such remuneration as may be authorized by the declaration.

2.—(1) Subsection 5 of section 9*a* of the said Act, as enacted by the Statutes of Ontario, 1974, chapter 133, section 6, is repealed and the following substituted therefor: s. 9a (5), re-enacted

(5) At least ten days written notice of every meeting of the members of the corporation specifying the place, the date and the hour thereof and the nature of the business to be presented shall be given in the prescribed form to each member and to each mortgagee or chargee entitled to vote, personally or by prepaid mail addressed to him at the address provided under subsection 6. Notice

(2) The said section 9*a* is amended by adding thereto the following subsections: s. 9a, amended

Holding of meetings

(5*a*) Notwithstanding any provision in any declaration to the contrary, where a meeting of the members of a corporation is called and notice of such meeting is given in accordance with subsection 5, the meeting may be held half an hour after the time indicated for the calling of the meeting in the notice notwithstanding that a quorum of the members of the corporation may not be present.

Use of proxy

(5*b*) Where a member, mortgagee or chargee entitled to vote at a meeting of the members of a corporation is given written notice of a meeting under subsection 5 and the member, mortgagee or chargee wishes to register a vote at the meeting but is unable to attend he may execute a proxy which shall be in the prescribed form.

s. 10 (1), amended

3. Subsection 1 of section 10 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 133, section 7, exclusive of the clauses, is repealed and the following substituted therefor:

By-laws

(1) The corporation at any meeting of the members of the corporation duly called may, by a vote of a majority of members present in person or by proxy and voting, make by-laws,

. . . . .

s. 14 (1), re-enacted

4. Subsection 1 of section 14 of the said Act is repealed and the following substituted therefor:

Substantial alterations

(1) The corporation at any meeting of the members of the corporation duly called, may, by a vote of a majority of members present in person or by proxy and voting, make any substantial addition, alteration or improvement to or renovation of the common elements or may make any substantial change in the assets of the corporation, or make any other addition, alteration or improvement to or renovation of the common elements or may make any other change in the assets of the corporation.

s. 15*a*, re-enacted

5. Section 15*a* of the said Act, as enacted by the Statutes of Ontario, 1974, chapter 133, section 12, is repealed and the following substituted therefor:

Management agreement

15*a*. The corporation at any meeting of the members of the corporation duly called, may, by a vote of a majority of members present in person or by proxy and voting, terminate, on giving sixty days notice in writing, any agreement between the corporation and any person for the management of the property entered into at a time when

SECTIONS 3, 4, 5, 6 AND 7. These sections have been changed so that in order to carry out the particular business indicated in the particular section, the corporation need only get a majority vote at any meeting duly called instead of the 66⅔ per cent or 80 per cent, as the case may be, of the owners of the common elements agreeing to the proposal. These changes are enacted so as to encourage a greater turn-out and participation at meetings of condominium corporations.

SECTION 8. Consistent with the changes in section 1.

the majority of the members of the board of directors were elected when the declarant was the registered owner of a majority of the units.

6. Subsection 2 of section 17 of the said Act is repealed and the following substituted therefor: s. 17 (2), re-enacted

(2) Where there has been a determination that there has been substantial damage to 25 per cent, or such greater percentage as is specified in the declaration, and the corporation at a meeting of the members of the corporation duly called and by a vote of a majority of members present in person or by proxy and voting, vote for repair within sixty days of the determination, the corporation shall repair. Vote for repair

7. Clause *a* of subsection 1 of section 19 of the said Act is repealed and the following substituted therefor: s. 19 (1) (*a*), re-enacted

(*a*) by a vote of a majority of members present in person or by proxy and voting at a meeting of the members of the corporation duly called; and

. . . . .

8. Subsection 1 of section 25 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 133, section 17, is further amended by adding thereto the following clause: s. 25 (1), amended

(*p*) prescribing institutions which may issue directors' certificates and prescribing qualifications to be held by directors in lieu of the holding of a director's certificate.

9. This Act comes into force on the day it receives Royal Assent. Commencement

10. This Act may be cited as *The Condominium Amendment Act, 1976*. Short title

An Act to amend
The Condominium Act

1st Reading

April 20th, 1976

2nd Reading

3rd Reading

MR. LELUK

(*Private Member's Bill*)

1976

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Condominium Act

MR. LELUK

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

The purpose of the Bill is to provide for a Condominium Registrar who would be available for consultation and who would build up an expertise in the condominium field. Corporations would be required to file minutes of annual meetings, lists of directors, financial statements and any other documents required to be registered in the Condominium Register with the Registrar.

BILL 58 **1976**

An Act to amend The Condominium Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 1 of section 1 of *The Condominium Act*, being chapter 77 of the Revised Statutes of Ontario, 1970, as amended by the Statutes of Ontario, 1974, chapter 133, section 1, is further amended by adding thereto the following clause: s. 1 (1), amended

(*oa*) "Registrar" means the Registrar of Condominiums.

2. The said Act is amended by adding thereto the following sections: ss. 5*a*-5*c*, enacted

5*a*.—(1) There shall be a Registrar of Condominiums who shall be appointed by the Lieutenant Governor in Council. Registrar

(2) The Registrar may exercise the powers and shall perform the duties conferred or imposed upon him by or under this Act. Duties of Registrar

5*b*. Every corporation shall file with the Registrar, Documents to be filed with Registrar

(*a*) within seven days of the event, a copy, certified by the directors of the corporation as being a true copy, of the minutes of the annual meeting of the corporation;

(*b*) any documents required to be registered and recorded in the Condominium Register;

(*c*) an up to date list setting out the directors of the corporation; and

(*d*) within thirty days of the end of the fiscal year of the corporation, a copy of the financial statement of the corporation.

Meetings with Registrar

5c. When requested by a director of a corporation to do so, the Registrar shall, where practicable, meet with the director to discuss any application of this Act or the regulations.

s. 25 (1), amended

3. Subsection 1 of section 25 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 133, section 17, is further amended by adding thereto the following clause:

(*q*) prescribing powers and duties of the Registrar.

Commencement

4. This Act comes into force on the day it receives Royal Assent.

Short title

5. This Act may be cited as *The Condominium Amendment Act, 1976*.



An Act to amend
The Condominium Act

1st Reading

April 20th, 1976

2nd Reading

3rd Reading

MR. LELUK

(*Private Member's Bill*)

1976

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Public Health Act

THE HON. B. STEPHENSON
Acting Minister of Health

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Notes

Section 1. Subsection 9*a* of section 45*d* of the Act sets out conditions that attach to every licence for a laboratory. The amendment adds a further condition.

Section 2. New section 45*i* of the Act provides for the refusal to renew a licence for a laboratory or the limitation or prohibition of the performance of tests by a laboratory in cases where the Minister states in writing to the Director that the refusal, limitation or prohibition is in the public interest. The section sets out the criteria that are to be considered by the Minister when deciding whether a refusal, limitation or prohibition is in the public interest.

BILL 59 **1976**

An Act to amend The Public Health Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 9*a* of section 45*d* of *The Public Health Act*, being chapter 377 of the Revised Statutes of Ontario, 1970, as enacted by the Statutes of Ontario, 1974, chapter 61, section 7, is amended by adding thereto the following clause: s. 45*d* (9*a*), amended

(*d*) the owner or the operator of the laboratory shall not offer, give or agree to give money or valuable consideration to any person, directly or indirectly, as an inducement or reward for a request for the performance of a test in the laboratory.

2. The said Act is amended by adding thereto the following section: s. 45*i*, enacted

45*i*.—(1) Where an application is made to renew a licence for a laboratory and the Minister states in writing to the Director that it is not in the public interest to renew the licence, subsections 7 and 8 and section 45*f* do not apply and the Director shall not renew the licence and shall give written notice to the applicant of the refusal and of the Minister's statement. Where renewal not in public interest

(2) Where the Minister states in writing to the Director that it is in the public interest to limit or to prohibit the performance of a class or classes of tests or of a test or tests within a class or classes of tests in a particular laboratory, sections 45*e* and 45*f* do not apply and the Director shall give written notice to the owner and to the operator of the laboratory of the limitation or prohibition or both and of the Minister's statement, and the limitation or prohibition, or both, set out in the notice is a condition of the licence. Limitation or prohibition of tests

Matters to be considered by Minister

(3) In considering under subsection 1 whether it is in the public interest to renew a licence or under subsection 2 whether it is in the public interest to limit or to prohibit the performance of a class or classes of tests or of a test or tests within a class or classes of tests in a particular laboratory, the Minister shall take into account,

(*a*) the number of laboratories that operate in the same area as the laboratory or in the area and any other area;

(*b*) the tests and classes of tests performed in the laboratories that operate in the same area as the laboratory or in the area and any other area;

(*c*) the utilization of laboratories and their ability to handle increased volume;

(*d*) the availability of facilities for the transportation of persons to laboratories; or

1972, c. 91

(*e*) the funds available to provide payment for laboratory tests that are insured services under *The Health Insurance Act, 1972*.

s. 45*j*, amended

3. Section 45*j* of the said Act, as enacted by the Statutes of Ontario, 1972, chapter 80, section 4, and amended by the Statutes of Ontario, 1973, chapter 130, section 4, is further amended by adding thereto the following subsection:

Performance of tests

(1*a*) No owner or operator of a laboratory shall perform or require or permit the performance in the laboratory of a test contrary to a condition of the licence or contrary to a limitation or prohibition in the regulations.

s. 45*m*, re-enacted

4. Section 45*m* of the said Act, as enacted by the Statutes of Ontario, 1972, chapter 80, section 4, is repealed and the following substituted therefor:

Rewards for requesting tests

45*m*. No owner or operator of a laboratory shall offer, give or agree to give to any person, directly or indirectly, money or valuable consideration as an inducement or reward for a request for the performance of a test in the laboratory.

s. 45*n*, amended

5.—(1) Section 45*n* of the said Act, as enacted by the Statutes of Ontario, 1972, chapter 80, section 4, and amended by the Statutes of Ontario, 1973, chapter 130, section 7 and 1974, chapter 61, section 9, is further amended by adding thereto the following clause:

SECTION 3. New subsection 1*a* of section 45*j* of the Act prohibits the performance of tests contrary to a condition of a licence or a limitation or prohibition in the regulations.

SECTION 4. Section 45*m* of the Act sets out the penalty for contravention of sections 45 to 45*l*. The repeal of section 45*m* brings into operation subsections 2, 2*a* and 2*b* of section 118 of the Act which are as follows:

(2) *Any person who contravenes any other provision of this Act or of the regulations for which no other penalty is provided or of any municipal by-law passed under this Act, or who wilfully disobeys or neglects to carry out any order or direction lawfully made or given by the Ministry, an inspector appointed under section 2a, a local board, medical officer of health or public health inspector, is guilty of an offence and on summary conviction is liable to a fine of not more than $2,000 or to imprisonment for a term of not more than six months, or to both.*

(2a) *Where a corporation is convicted of an offence under subsection 2, the maximum penalty that may be imposed upon the corporation is $25,000 and not as provided therein.*

(2b) *Where a corporation has been convicted of an offence under subsection 2,*

(a) *each director of the corporation; and*

(b) *each officer, servant or agent of the corporation who was in whole or in part responsible for the conduct of that part of the business of the corporation that gave rise to the offence,*

is a party to the offence unless he satisfies the court that he had no knowledge of any of the acts constituting the offence, and could not reasonably be expected to have had such knowledge and that he exercised reasonable diligence to prevent the commission of the offence.

New section 45*m* of the Act prohibits the offering or giving of money or valuable consideration as an inducement or reward for requesting the performance of a test in a laboratory.

SECTION 5. Section 45*n* of the Act authorizes the making of regulations. New clause *q* authorizes the making of regulations limiting or prohibiting the performance of tests in a laboratory. New subsection 2 of section 45*n* provides that a regulation (defined in clause *e* of section 45 of the Act to mean a regulation made under section 45*n*) may, according to its terms, be general or particular and may be limited as to time or place or both.

(*q*) limiting or prohibiting the performance of classes of tests or of a test or tests within a class of tests in a laboratory.

(2) The said section 45*n* is further amended by adding thereto the following subsection: s. 45*n*, amended

(2) A regulation may be general or particular in its application and may be limited as to time or place or both. Scope of regulations

6. This Act comes into force on the day it receives Royal Assent. Commencement

7. This Act may be cited as *The Public Health Amendment Act, 1976*. Short title

An Act to amend
The Public Health Act

1st Reading

April 22nd, 1976

2nd Reading

3rd Reading

THE HON. B. STEPHENSON
Acting Minister of Health

(*Government Bill*)

1976

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Residential Premises Rent Review Act, 1975 (2nd Session)

THE HON. S. B. HANDLEMAN
Minister of Consumer and Commercial Relations

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Notes

Section 1. The amendment is for the purpose of removing any doubt that the Act applies in respect of rent increases for periodic tenancies.

Section 2. The amendment ensures that in the case of a periodic tenancy or short-term leases the increases provided for cannot be taken twice in one year unless it is justified before a Rent Review Officer.

BILL 60 **1976**

An Act to amend The Residential Premises Rent Review Act, 1975 (2nd Session)

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 1 of *The Residential Premises Rent Review Act, 1975 (2nd Session)*, being chapter 12, is amended by adding thereto the following subsection: s. 1, amended

(2) For the purposes of this Act, where the rent is increased in respect of residential premises occupied under a tenancy agreement for a periodic tenancy, the tenancy agreement shall be deemed to be renewed on the date the increase in the rent takes effect. Renewal of periodic tenancy

2.—(1) Subsection 2 of section 5 of the said Act, is amended by adding at the commencement thereof "Subject to subsection 2*a* and". s. 5 (2), amended

(2) The said section 5, as amended by the Statutes of Ontario, 1976, chapter 2, section 2, is further amended by adding thereto the following subsection: s. 5, amended

(2*a*) Where no order of a Rent Review Officer is in effect, no increase permitted under subsection 2 shall be charged to take effect within one year after the latest date upon which an increase within the limit prescribed by subsection 1 takes effect, except upon the order of a Rent Review Officer applied for under subsection 3. Second increase in same year

(3) Subsection 3 of the said section 5, as amended by the Statutes of Ontario, 1976, chapter 2, section 2, is further amended by striking out "or 2" in the sixth line and inserting in lieu thereof "2 or 2*a*". s. 5 (3), amended

(4) Subsection 4 of the said section 5, as amended by the Statutes of Ontario, 1976, chapter 2, section 2, is further s. 5 (4), amended

amended by striking out "and 2" in the tenth line and inserting in lieu thereof "2 and 2*a*".

s. 5 (5) (*a*), amended

(5) Clause *a* of subsection 5 of the said section 5 is amended by striking out "and 2" in the fourth line and inserting in lieu thereof "2 and 2*a*".

s. 7 (3) (*c*), amended

3. Clause *c* of subsection 3 of section 7 of the said Act is amended by adding at the end thereof "and so continue until the full amount of the order has been satisfied".

s. 8, amended

4. Section 8 of the said Act is amended by striking out "and 2" in the third line and inserting in lieu thereof "2 and 2*a*".

s. 14 (1), amended

5.—(1) Subsection 1 of section 14 of the said Act is amended by adding thereto the following clauses:

(*aa*) situate in a building or project owned or operated by a religious institution for its purposes on a charitable and non-profit basis or by a non-profit educational institution for the purpose of providing accommodation for its students or staff for educational purposes;

(*ab*) situate in a building or project owned, operated or administered by or on behalf of the Government of Canada or Ontario or a municipality including a regional, district or metropolitan municipality, or any agency thereof, or forming part of a limited dividend housing project financed under the *National Housing Act* (Canada) or by the Ontario Mortgage Corporation and rents for which are subject to the approval of the Government of Canada or Ontario or an agency of either of them;

R.S.C. 1970, c. N-10

. . . . .

(*d*) that is a mobile home or mobile home site that was not occupied as residential premises before the 1st day of January, 1976.

Previous orders annulled

(2) Every order made under this Act before this Act receives Royal Assent in respect of premises exempted by subsection 1 is void and of no effect.

s. 17, amended

6. Section 17 of the said Act is amended by striking out "or 2" in the second line and inserting in lieu thereof "2 or 2*a*".

Commencement

7.—(1) This Act, except sections 1 and 5, comes into force on the day it receives Royal Assent.

SECTION 3. The amendment ensures that where a landlord is ordered to refund excess rent collected, the tenant may set the amount owing off against rent from month to month until paid.

SECTION 4. Complementary to section 2 of this Bill.

SECTION 5. The new clauses add to the premises exempt from the Act.

SECTION 6. Complementary to section 2 of this Bill. The amendment is to the penalty section to include a breach of the new subsection 5 (2*a*) in the offences.

(2) Sections 1 and 5 shall be deemed to have come into force on the 29th day of July, 1975. Idem

8. This Act may be cited as *The Residential Premises Rent Review Amendment Act, 1976*. Short title

An Act to amend
The Residential Premises Rent
Review Act, 1975 (2nd Session)

1st Reading

April 22nd, 1976

2nd Reading

3rd Reading

THE HON. S. B. HANDLEMAN
Minister of Consumer and
Commercial Relations

(*Government Bill*)

BILL 60 **Government Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Residential Premises Rent Review Act, 1975 (2nd Session)

THE HON. S. B. HANDLEMAN
Minister of Consumer and Commercial Relations

(Reprinted as amended by the Committee of the Whole House)

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Notes

Section 1. The amendment is for the purpose of removing any doubt that the Act applies in respect of rent increases for periodic tenancies.

Section 2. The amendment ensures that in the case of a periodic tenancy or short-term leases the increases provided for cannot be taken twice in one year unless it is justified before a Rent Review Officer.

BILL 60 **1976**

An Act to amend The Residential Premises Rent Review Act, 1975 (2nd Session)

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 1 of *The Residential Premises Rent Review Act, 1975 (2nd Session)*, being chapter 12, is amended by adding thereto the following subsection: s. 1, amended

(2) For the purposes of this Act, where the rent is increased in respect of residential premises occupied under a tenancy agreement for a periodic tenancy, the tenancy agreement shall be deemed to be renewed on the date the increase in the rent takes effect. Renewal of periodic tenancy

2.—(1) Subsection 2 of section 5 of the said Act, is amended by adding at the commencement thereof "Subject to subsection 2*a* and". s. 5 (2), amended

(2) The said section 5, as amended by the Statutes of Ontario, 1976, chapter 2, section 2, is further amended by adding thereto the following subsection: s. 5, amended

(2*a*) Where no order of a Rent Review Officer is in effect, no increase permitted under subsection 2 shall be charged to take effect within one year after the latest date upon which an increase within the limit prescribed by subsection 1 takes effect, except upon the order of a Rent Review Officer applied for under subsection 3. Second increase in same year

(3) Subsection 3 of the said section 5, as amended by the Statutes of Ontario, 1976, chapter 2, section 2, is further amended by striking out "or 2" in the sixth line and inserting in lieu thereof "2 or 2*a*". s. 5 (3), amended

(4) Subsection 4 of the said section 5, as amended by the Statutes of Ontario, 1976, chapter 2, section 2, is further s. 5 (4), amended

amended by striking out "and 2" in the tenth line and inserting in lieu thereof "2 and 2*a*".

s. 5 (5) (*a*), amended

(5) Clause *a* of subsection 5 of the said section 5 is amended by striking out "and 2" in the fourth line and inserting in lieu thereof "2 and 2*a*".

s. 7 (3) (*c*), amended

3. Clause *c* of subsection 3 of section 7 of the said Act is amended by adding at the end thereof "and so continue until the full amount of the order has been satisfied".

s. 8, amended

4. Section 8 of the said Act is amended by striking out "and 2" in the third line and inserting in lieu thereof "2 and 2*a*".

s. 14 (1), amended

5.—(1) Subsection 1 of section 14 of the said Act is amended by adding thereto the following clauses:

(*aa*) situate in a building or project owned or operated by,

R.S.O. 1970, c. 378

(i) a hospital approved under *The Public Hospitals Act* as a public hospital,

(ii) a religious institution for a charitable use on a non-profit basis, or

(iii) a non-profit educational institution for the purpose of providing accommodation for its students or staff for educational purposes, except that, where the tenant is a student or a member of the staff at the institution and the students or staff, as the case may be, have a recognized council or association, this exemption does not apply in respect of a rent increase unless the institution files with the Rent Review Officer, before notice of the rent increase is given, a statement certifying that there has been consultation with the council or association, as the case may be, respecting the increase;

(*ab*) situate in a building or project owned, operated or administered by or on behalf of the Government of Canada or Ontario or a municipality including a regional, district or metropolitan municipality, or any agency thereof;

. . . . .

(*d*) that is a mobile home or mobile home site that was not occupied as residential premises before the 1st day of January, 1976.

SECTION 3. The amendment ensures that where a landlord is ordered to refund excess rent collected, the tenant may set the amount owing off against rent from month to month until paid.

SECTION 4. Complementary to section 2 of this Bill.

SECTION 5.—Subsection 1. The new clauses add to the premises exempt from the Act.

Subsection 2. The amended clause would read as follows:

(*1*) *This Act does not apply to residential premises,*

. . . . . .

(*c*) *situate in a building, no part of which was occupied as rented residential premises before the 1st day of January, 1976.*

Subsection 3. Section 5 (3) of the Bill refers to orders "made under this Act". The orders referred to are meant to be those made under the main Act i.e. *The Residential Premises Rent Review Act, 1975* (*2nd Session*) and not "this Act" which refers to the Bill.

SECTION 6. The provision amended prescribes the method of giving notices. The amendment ensures that notice by a tenant to another tenant is included.

SECTION 7. Complementary to section 2 of this Bill. The amendment is to the penalty section to include a breach of the new subsection 5 (2*a*) in the offences.

(2) Clause *c* of subsection 1 of the said section 14 is amended by inserting after "as" in the second line "rented". s. 14 (1) (*c*), amended

(3) Every order made under *The Residential Premises Rent Review Act, 1975 (2nd Session)* before this Act receives Royal Assent in respect of premises exempted by subsection 1 is void and of no effect. Previous orders annulled 1975 (2nd Sess.), c. 12

6. Clause *b* of subsection 1 of section 16 of the said Act is amended by inserting after "tenant" in the first line "or by a tenant to a tenant". s. 16 (1) (*b*), amended

7. Section 17 of the said Act is amended by striking out " or 2" in the second line and inserting in lieu thereof "2 or 2*a*". s. 17, amended

8.—(1) This Act, except sections 1 and 5, comes into force on the day it receives Royal Assent. Commencement

(2) Sections 1 and 5 shall be deemed to have come into force on the 29th day of July, 1975. Idem

9. This Act may be cited as *The Residential Premises Rent Review Amendment Act, 1976*. Short title

An Act to amend
The Residential Premises Rent
Review Act, 1975 (2nd Session)

1st Reading

April 22nd, 1976

2nd Reading

May 4th, 1976

3rd Reading

THE HON. S. B. HANDLEMAN
Minister of Consumer and
Commercial Relations

(Reprinted as amended by the Committee of the Whole House)

BILL 60

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Residential Premises Rent Review Act, 1975 (2nd Session)

THE HON. S. B. HANDLEMAN
Minister of Consumer and Commercial Relations

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 60 **1976**

An Act to amend The Residential Premises Rent Review Act, 1975 (2nd Session)

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 1 of *The Residential Premises Rent Review Act, 1975 (2nd Session)*, being chapter 12, is amended by adding thereto the following subsection: s. 1, amended

(2) For the purposes of this Act, where the rent is increased in respect of residential premises occupied under a tenancy agreement for a periodic tenancy, the tenancy agreement shall be deemed to be renewed on the date the increase in the rent takes effect. Renewal of periodic tenancy

2.—(1) Subsection 2 of section 5 of the said Act, is amended by adding at the commencement thereof "Subject to subsection 2*a* and". s. 5 (2), amended

(2) The said section 5, as amended by the Statutes of Ontario, 1976, chapter 2, section 2, is further amended by adding thereto the following subsection: s. 5, amended

(2*a*) Where no order of a Rent Review Officer is in effect, no increase permitted under subsection 2 shall be charged to take effect within one year after the latest date upon which an increase within the limit prescribed by subsection 1 takes effect, except upon the order of a Rent Review Officer applied for under subsection 3. Second increase in same year

(3) Subsection 3 of the said section 5, as amended by the Statutes of Ontario, 1976, chapter 2, section 2, is further amended by striking out "or 2" in the sixth line and inserting in lieu thereof "2 or 2*a*". s. 5 (3), amended

(4) Subsection 4 of the said section 5, as amended by the Statutes of Ontario, 1976, chapter 2, section 2, is further s. 5 (4), amended

amended by striking out "and 2" in the tenth line and inserting in lieu thereof "2 and 2*a*".

s. 5 (5) (*a*), amended

(5) Clause *a* of subsection 5 of the said section 5 is amended by striking out "and 2" in the fourth line and inserting in lieu thereof "2 and 2*a*".

s. 7 (3) (*c*), amended

3. Clause *c* of subsection 3 of section 7 of the said Act is amended by adding at the end thereof "and so continue until the full amount of the order has been satisfied".

s. 8, amended

4. Section 8 of the said Act is amended by striking out "and 2" in the third line and inserting in lieu thereof "2 and 2*a*".

s. 14 (1), amended

5.—(1) Subsection 1 of section 14 of the said Act is amended by adding thereto the following clauses:

(*aa*) situate in a building or project owned or operated by,

R.S.O. 1970, c. 378

(i) a hospital approved under *The Public Hospitals Act* as a public hospital,

(ii) a religious institution for a charitable use on a non-profit basis, or

(iii) a non-profit educational institution for the purpose of providing accommodation for its students or staff for educational purposes, except that, where the tenant is a student or a member of the staff at the institution and the students or staff, as the case may be, have a recognized council or association, this exemption does not apply in respect of a rent increase unless the institution files with the Rent Review Officer, before notice of the rent increase is given, a statement certifying that there has been consultation with the council or association, as the case may be, respecting the increase;

(*ab*) situate in a building or project owned, operated or administered by or on behalf of the Government of Canada or Ontario or a municipality including a regional, district or metropolitan municipality, or any agency thereof;

. . . . .

(*d*) that is a mobile home or mobile home site that was not occupied as residential premises before the 1st day of January, 1976.

(2) Clause *c* of subsection 1 of the said section 14 is amended by inserting after "as" in the second line "rented". s. 14 (1) (*c*), amended

(3) Every order made under *The Residential Premises Rent Review Act, 1975 (2nd Session)* before this Act receives Royal Assent in respect of premises exempted by subsection 1 is void and of no effect. Previous orders annulled 1975 (2nd Sess.), c. 12

6. Clause *b* of subsection 1 of section 16 of the said Act is amended by inserting after "tenant" in the first line "or by a tenant to a tenant". s. 16 (1) (*b*), amended

7. Section 17 of the said Act is amended by striking out " or 2" in the second line and inserting in lieu thereof "2 or 2*a*". s. 17, amended

8.—(1) This Act, except sections 1 and 5, comes into force on the day it receives Royal Assent. Commencement

(2) Sections 1 and 5 shall be deemed to have come into force on the 29th day of July, 1975. Idem

9. This Act may be cited as *The Residential Premises Rent Review Amendment Act, 1976*. Short title

An Act to amend
The Residential Premises Rent
Review Act, 1975 (2nd Session)

1st Reading

April 22nd, 1976

2nd Reading

May 4th, 1976

3rd Reading

May 20th, 1976

THE HON. S. B. HANDLEMAN
Minister of Consumer and
Commercial Relations

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Consumer Reporting Act, 1973

MR. REID

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

The purpose of the Bill is to prevent the selling of personal information contained in consumer reports to persons outside Ontario. The Bill would also prohibit the selling of lists of names and addresses of persons contained in consumer reporting files.

BILL 61 **1976**

An Act to amend The Consumer Reporting Act, 1973

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 8 of *The Consumer Reporting Act, 1973*, being chapter 97, is amended by adding thereto the following subsections: s. 8, amended

(2*a*) Except with the written consent of the Registrar, no consumer reporting agency and no officer or employee thereof shall furnish any information from the files of the consumer reporting agency to a person who does not reside in Ontario. No reports outside Ontario

. . . . .

(3*a*) Except with the written consent of the Registrar and subject to subsection 3, no consumer reporting agency and no officer or employee thereof shall furnish a list of names or addresses of consumers from the files of the consumer reporting agency to any person. Idem

2. Section 24 of the said Act is amended by adding thereto the following clause: s. 24, amended

(*l*) prescribing the form of security to be provided by consumer reporting agencies in order to prevent unauthorized persons from having access to consumer reports.

3. This Act comes into force on the day it receives Royal Assent. Commencement

4. This Act may be cited as *The Consumer Reporting Amendment Act, 1976*. Short title

An Act to amend
The Consumer Reporting
Act, 1973

1st Reading

April 26th, 1976

2nd Reading

3rd Reading

MR. REID

(*Private Member's Bill*)

BILL 62 **Government Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Planning Act

THE HON. J. R. RHODES
Minister of Housing

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Notes

Section 1. Subsection 2 of section 3 presently reads as follows:

(2) *Where a planning area consists of part or all of one municipality and territory without municipal organization, every appointment to the planning board of the planning area is subject to the approval of the Treasurer.*

The amendment is to make it clear that the approval of the Minister for planning board appointments is required where the planning area consists of two or more municipalities and territory without municipal organization as well as in the situation where the planning area consists of one municipality and territory without municipal organization.

Section 2.—Subsection 1. Clause *c* of subsection 4 of section 29 is set out below with the words added by the re-enactment shown underlined; the effect is to remove land that is being acquired for the construction of a utility line from part-lot control so as to enable utility companies to acquire easements and rights of way over parts of lots on registered plans of subdivision without obtaining consents.

(*c*) *the land or any use of or right therein is being acquired for the construction of a transmission line or utility line, both as defined in The Ontario Energy Board Act, and in respect of which the person acquiring the land or any use of or right therein has made a declaration that it is being acquired for such purpose, which shall be conclusive evidence that it is being acquired for such purpose; or*

. . . . . .

Subsection 2. Subsection 5*e* of section 29 is set out below with the words added by the re-enactment shown underlined; the effect is to exclude from the application of the subsection the types of partial foreclosure or partial exercise of a power of sale described in the new clauses *a* and *b*.

(5*e*) *No foreclosure of or exercise of a power of sale in a mortgage or charge shall have any effect in law without the approval of the Minister unless all of the land subject to such mortgage or charge is included in the foreclosure or exercise of the power of sale, as the case may be, but this subsection does not apply where the land foreclosed or in respect of which the power of sale is exercised comprises only,*

(*a*) *the whole of one or more lots or blocks within one or more registered plans of subdivision; or*

(*b*) *one or more parcels of land that do not abut any other parcel of land that is subject to the same mortgage or charge.*

BILL 62 **1976**

An Act to amend The Planning Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 2 of section 3 of *The Planning Act*, being chapter 349 of the Revised Statutes of Ontario, 1970, as amended by the Statutes of Ontario, 1973, chapter 168, section 2, is repealed and the following substituted therefor: s. 3 (2), re-enacted

(2) Where a planning area consists of part or all of one or more municipalities and territory without municipal organization, every appointment to the planning board of the planning area is subject to the approval of the Minister. Where unorganized territory

2.—(1) Clause *c* of subsection 4 of section 29 of the said Act is repealed and the following substituted therefor: s. 29 (4) (*c*), re-enacted

(*c*) the land or any use of or right therein is being acquired for the construction of a transmission line or utility line, both as defined in *The Ontario Energy Board Act*, and in respect of which the person acquiring the land or any use of or right therein has made a declaration that it is being acquired for such purpose, which shall be conclusive evidence that it is being acquired for such purpose; or R.S.O. 1970, c. 312

. . . . .

(2) Subsection 5*e* of the said section 29, as enacted by the Statutes of Ontario, 1975 (2nd Session), chapter 18, section 1, is repealed and the following substituted therefor: s. 29 (5*e*), re-enacted

(5*e*) No foreclosure of or exercise of a power of sale in a mortgage or charge shall have any effect in law without the approval of the Minister unless all of the Foreclosure or exercise of power of sale, when approval of Minister required

land subject to such mortgage or charge is included in the foreclosure or exercise of the power of sale, as the case may be, but this subsection does not apply where the land foreclosed or in respect of which the power of sale is exercised comprises only,

(*a*) the whole of one or more lots or blocks within one or more registered plans of subdivision; or

(*b*) one or more parcels of land that do not abut any other parcel of land that is subject to the same mortgage or charge.

s. 29, amended

(3) The said section 29, as amended by the Statutes of Ontario, 1971, chapter 2, section 1, 1972, chapter 118, section 3, 1973, chapter 168, section 6, 1974, chapter 53, section 4 and 1975 (2nd Session), chapter 18, section 1, is further amended by adding thereto the following subsection:

Agreements

(12*a*) Every municipality and the Minister may enter into agreements imposed as a condition to the giving of a consent and any such agreement may be registered against the land to which it applies and the municipality or the Minister, as the case may be, shall be entitled to enforce the provisions thereof against the owner and, subject to the provisions of *The Registry Act* and *The Land Titles Act*, any and all subsequent owners of the land.

R.S.O. 1970, cc. 409, 234

s. 29 (14), repealed

(4) Subsection 14 of the said section 29 is repealed.

s. 35*c*, enacted

3. The said Act is amended by adding thereto the following section:

Interpretation

35*c*.—(1) In this section,

(*a*) "mobile home" means any dwelling that is designed to be made mobile, and constructed or manufactured to provide a permanent residence for one or more persons, but does not include a travel trailer or tent trailer or trailer otherwise designed;

(*b*) "parcel of land" means a lot or block within a registered plan of subdivision or any land that may be legally conveyed under the exemption provided in clause *b* of subsection 2 or clause *a* of subsection 4 of section 29.

One mobile home per parcel of land

(2) Unless otherwise authorized by a by-law in force under section 35 or an order of the Minister made under clause *a* of subsection 1 of section 32, no person shall

Subsection 3. The subsection is added to make it clear that municipalities and the Minister may enter into agreements imposed as a condition on the granting of a consent and to provide that such agreements run with the land. The provision is very similar to that contained in section 33 (6) relating to plans of subdivision.

Subsection 4. Subsection 14 of section 29 now reads as follows:

(*14*) *Every municipality may enter into agreements imposed as a condition to the granting of a consent.*

The provisions of the subsection are now included in the new subsection 12*a*. See the note to subsection 3 of section 3 of the Bill, *supra*.

SECTION 3. The new section 36*c* restricts the locating of mobile homes, in the absence of a zoning by-law or Minister's zoning order, to a lot or block on a plan of subdivision or to a parcel of land that could be lawfully conveyed without a consent under section 29 of the Act; in either case not more than one mobile home may be located on such lot, block or parcel of land.

SECTION 4. The subsection is re-enacted to authorize the Minister to delegate to municipal councils his authority,

(*a*) to approve descriptions under section 24 of *The Condominium Act*;

(*b*) to approve by-laws altering, diverting or closing of roads in registered plans of subdivision under section 443 (8) of *The Municipal Act*;

(*c*) to approve under section 450 of *The Municipal Act* the laying out of highways less than 66 feet in width or, in municipalities other than cities or towns, more than 100 feet in width; and

(*d*) to consent to the making of a judge's order under section 86 (4) of *The Registry Act* amending registered plans of subdivision that were approved by the Minister,

in addition to the Minister's present power to make such delegation of any of his authority under *The Planning Act*.

erect or locate or use or cause to be erected, located or used, a mobile home except on a parcel of land as defined in clause *b* of subsection 1, and in no case shall any person erect, locate or use or cause to be erected, located or used more than one mobile home on any such parcel of land.

Saving

(3) This section does not apply to prevent the continued use in the same location of any mobile home that was in use on the date of coming into force of this section.

Offence

(4) Every person who contravenes this section is guilty of an offence and on summary conviction is liable to a fine of not more than $1,000.

Right to restrain

(5) In addition to any other remedy or penalty provided by law, any contravention of this section may be restrained by action at the instance of the Minister or the municipality in which the contravention took place or any adjoining municipality or any ratepayer of any such municipality or adjoining municipality and, where the contravention took place in territory without municipal organization, the action may be taken at the instance of the Minister or any resident of such territory or any adjoining municipality or any ratepayer of any adjoining municipality.

s. 44*b* (2), re-enacted

4. Subsection 2 of section 44*b* of the said Act, as re-enacted by the Statutes of Ontario, 1974, chapter 53, section 8, is repealed and the following substituted therefor:

Delegation of Minister's powers

(2) The Minister on the request of a council may by order delegate to the council any of the Minister's authority under this Act, under section 24 of *The Condominium Act*, under subsection 8 of section 443 and subsection 2 of section 450 of *The Municipal Act* and under subsection 4 of section 86 of *The Registry Act* and where the Minister has delegated any such authority, the council has, in lieu of the Minister, all the powers and rights of the Minister in respect thereof and the council shall be responsible for all matters pertaining thereto, including, without limiting the generality of the foregoing, the referral of any matter to the Municipal Board.

R.S.O. 1970, cc. 77, 284, 409

Commencement

5.—(1) This Act, except subsection 2 of section 2, comes into force on the day it receives Royal Assent.

Idem

(2) Subsection 2 of section 2 shall be deemed to have come into force on the 18th day of December, 1975.

Short title

6. This Act may be cited as *The Planning Amendment Act, 1976*.

An Act to amend
The Planning Act

1st Reading

April 27th, 1976

2nd Reading

3rd Reading

THE HON. J. R. RHODES
Minister of Housing

(*Government Bill*)

BILL 62 **Government Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Planning Act

THE HON. J. R. RHODES
Minister of Housing

(Reprinted as amended by the Committee of the Whole House)

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Notes

Section 1. Subsection 2 of section 3 presently reads as follows:

(2) *Where a planning area consists of part or all of one municipality and territory without municipal organization, every appointment to the planning board of the planning area is subject to the approval of the Treasurer.*

The amendment is to make it clear that the approval of the Minister for planning board appointments is required where the planning area consists of two or more municipalities and territory without municipal organization as well as in the situation where the planning area consists of one municipality and territory without municipal organization.

Section 2.—Subsection 1. Clause *c* of subsection 4 of section 29 is set out below with the words added by the re-enactment shown underlined; the effect is to remove land that is being acquired for the construction of a utility line from part-lot control so as to enable utility companies to acquire easements and rights of way over parts of lots on registered plans of subdivision without obtaining consents.

(*c*) *the land or any use of or right therein is being acquired for the construction of a transmission line or utility line, both as defined in The Ontario Energy Board Act, and in respect of which the person acquiring the land or any use of or right therein has made a declaration that it is being acquired for such purpose, which shall be conclusive evidence that it is being acquired for such purpose; or*

. . . . .

Subsection 2. Subsection 5*e* of section 29 is set out below with the words added by the re-enactment shown underlined; the effect is to exclude from the application of the subsection the types of partial foreclosure or partial exercise of a power of sale described in the new clauses *a* and *b*.

(5*e*) *No foreclosure of or exercise of a power of sale in a mortgage or charge shall have any effect in law without the approval of the Minister unless all of the land subject to such mortgage or charge is included in the foreclosure or exercise of the power of sale, as the case may be, but this subsection does not apply where the land foreclosed or in respect of which the power of sale is exercised comprises only,*

(*a*) *the whole of one or more lots or blocks within one or more registered plans of subdivision; or*

(*b*) *one or more parcels of land that do not abut any other parcel of land that is subject to the same mortgage or charge.*

BILL 62 **1976**

An Act to amend The Planning Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 2 of section 3 of *The Planning Act*, being chapter 349 of the Revised Statutes of Ontario, 1970, as amended by the Statutes of Ontario, 1973, chapter 168, section 2, is repealed and the following substituted therefor: s. 3 (2), re-enacted

(2) Where a planning area consists of part or all of one or more municipalities and territory without municipal organization, every appointment to the planning board of the planning area is subject to the approval of the Minister. Where unorganized territory

2.—(1) Clause *c* of subsection 4 of section 29 of the said Act is repealed and the following substituted therefor: s. 29 (4) (*c*), re-enacted

(*c*) the land or any use of or right therein is being acquired for the construction of a transmission line or utility line, both as defined in *The Ontario Energy Board Act*, and in respect of which the person acquiring the land or any use of or right therein has made a declaration that it is being acquired for such purpose, which shall be conclusive evidence that it is being acquired for such purpose; or R.S.O. 1970, c. 312

. . . . .

(2) Subsection 5*e* of the said section 29, as enacted by the Statutes of Ontario, 1975 (2nd Session), chapter 18, section 1, is repealed and the following substituted therefor: s. 29 (5*e*), re-enacted

(5*e*) No foreclosure of or exercise of a power of sale in a mortgage or charge shall have any effect in law without the approval of the Minister unless all of the Foreclosure or exercise of power of sale, when approval of Minister required

land subject to such mortgage or charge is included in the foreclosure or exercise of the power of sale, as the case may be, but this subsection does not apply where the land foreclosed or in respect of which the power of sale is exercised comprises only,

(*a*) the whole of one or more lots or blocks within one or more registered plans of subdivision; or

(*b*) one or more parcels of land that do not abut any other parcel of land that is subject to the same mortgage or charge.

s. 29, amended

(3) The said section 29, as amended by the Statutes of Ontario, 1971, chapter 2, section 1, 1972, chapter 118, section 3, 1973, chapter 168, section 6, 1974, chapter 53, section 4 and 1975 (2nd Session), chapter 18, section 1, is further amended by adding thereto the following subsection:

Agreements

(12*a*) Every municipality and the Minister may enter into agreements imposed as a condition to the giving of a consent and any such agreement may be registered against the land to which it applies and the municipality or the Minister, as the case may be, shall be entitled to enforce the provisions thereof against the owner and, subject to the provisions of *The Registry Act* and *The Land Titles Act*, any and all subsequent owners of the land.

R.S.O. 1970, cc. 409, 234

s. 29 (14), repealed

(4) Subsection 14 of the said section 29 is repealed.

s. 35*c*, enacted

3. The said Act is amended by adding thereto the following section:

Interpretation

35*c*.—(1) In this section,

(*a*) "mobile home" means any dwelling that is designed to be made mobile, and constructed or manufactured to provide a permanent residence for one or more persons, but does not include a travel trailer or tent trailer or trailer otherwise designed;

(*b*) "parcel of land" means a lot or block within a registered plan of subdivision or any land that may be legally conveyed under the exemption provided in clause *b* of subsection 2 or clause *a* of subsection 4 of section 29.

One mobile home per parcel of land

(2) Unless otherwise authorized by a by-law in force under section 35 or an order of the Minister made under clause *a* of subsection 1 of section 32, no person shall erect or locate or use or cause to be erected, located or used, a mobile home except on a parcel of land as

Subsection 3. The subsection is added to make it clear that municipalities and the Minister may enter into agreements imposed as a condition on the granting of a consent and to provide that such agreements run with the land. The provision is very similar to that contained in section 33 (6) relating to plans of subdivision.

Subsection 4. Subsection 14 of section 29 now reads as follows:

(*14*) *Every municipality may enter into agreements imposed as a condition to the granting of a consent.*

The provisions of the subsection are now included in the new subsection 12*a*. See the note to subsection 3 of section 3 of the Bill, *supra*.

SECTION 3. The new section 36*c* restricts the locating of mobile homes, in the absence of a zoning by-law or Minister's zoning order, to a lot or block on a plan of subdivision or to a parcel of land that could be lawfully conveyed without a consent under section 29 of the Act; in either case not more than one mobile home may be located on such lot, block or parcel of land.

SECTION 4. The subsection is re-enacted to authorize the Minister to delegate to municipal councils his authority,

(*a*) to approve descriptions under section 24 of *The Condominium Act*;

(*b*) to approve by-laws altering, diverting or closing of roads in registered plans of subdivision under section 443 (8) of *The Municipal Act*;

(*c*) to approve under section 450 of *The Municipal Act* the laying out of highways less than 66 feet in width or, in municipalities other than cities or towns, more than 100 feet in width; and

(*d*) to consent to the making of a judge's order under section 86 (4) of *The Registry Act* amending registered plans of subdivision that were approved by the Minister,

in addition to the Minister's present power to make such delegation of any of his authority under *The Planning Act*.

defined in clause *b* of subsection 1, and in no case except as otherwise so authorized shall any person erect, locate or use or cause to be erected, located or used more than one mobile home on any such parcel of land.

Saving

(3) This section does not apply to prevent the continued use in the same location of any mobile home that,

(*a*) is erected or located and in use prior to the 1st day of June, 1977; or

(*b*) is erected or located in accordance with a building permit issued prior to the 1st day of June, 1977.

Offence

(4) Every person who contravenes this section is guilty of an offence and on summary conviction is liable to a fine of not more than $1,000.

Right to restrain

(5) In addition to any other remedy or penalty provided by law, any contravention of this section may be restrained by action at the instance of the Minister or the municipality in which the contravention took place or any adjoining municipality or any ratepayer of any such municipality or adjoining municipality and, where the contravention took place in territory without municipal organization, the action may be taken at the instance of the Minister or any resident of such territory or any adjoining municipality or any ratepayer of any adjoining municipality.

s. 44*b* (2), re-enacted

4. Subsection 2 of section 44*b* of the said Act, as re-enacted by the Statutes of Ontario, 1974, chapter 53, section 8, is repealed and the following substituted therefor:

Delegation of Minister's powers

R.S.O. 1970, cc. 77, 284, 409

(2) The Minister on the request of a council may by order delegate to the council any of the Minister's authority under this Act, under section 24 of *The Condominium Act*, under subsection 8 of section 443 and subsection 2 of section 450 of *The Municipal Act* and under subsection 4 of section 86 of *The Registry Act* and where the Minister has delegated any such authority, the council has, in lieu of the Minister, all the powers and rights of the Minister in respect thereof and the council shall be responsible for all matters pertaining thereto, including, without limiting the generality of the foregoing, the referral of any matter to the Municipal Board.

Commencement

5.—(1) This Act, except subsection 2 of section 2, comes into force on the day it receives Royal Assent.

Idem

(2) Subsection 2 of section 2 shall be deemed to have come into force on the 18th day of December, 1975.

Short title

6. This Act may be cited as *The Planning Amendment Act, 1976*.

An Act to amend
The Planning Act

1st Reading

April 27th, 1976

2nd Reading

May 25th, 1976

3rd Reading

THE HON. J. R. RHODES
Minister of Housing

(Reprinted as amended by the Committee of the Whole House)

BILL 62

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Planning Act

THE HON. J. R. RHODES
Minister of Housing

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 62 **1976**

An Act to amend The Planning Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 2 of section 3 of *The Planning Act*, being chapter 349 of the Revised Statutes of Ontario, 1970, as amended by the Statutes of Ontario, 1973, chapter 168, section 2, is repealed and the following substituted therefor: s. 3 (2), re-enacted

(2) Where a planning area consists of part or all of one or more municipalities and territory without municipal organization, every appointment to the planning board of the planning area is subject to the approval of the Minister. Where unorganized territory

2.—(1) Clause *c* of subsection 4 of section 29 of the said Act is repealed and the following substituted therefor: s. 29 (4) (*c*), re-enacted

(*c*) the land or any use of or right therein is being acquired for the construction of a transmission line or utility line, both as defined in *The Ontario Energy Board Act*, and in respect of which the person acquiring the land or any use of or right therein has made a declaration that it is being acquired for such purpose, which shall be conclusive evidence that it is being acquired for such purpose; or R.S.O. 1970, c. 312

. . . . .

(2) Subsection 5*e* of the said section 29, as enacted by the Statutes of Ontario, 1975 (2nd Session), chapter 18, section 1, is repealed and the following substituted therefor: s. 29 (5*e*), re-enacted

(5*e*) No foreclosure of or exercise of a power of sale in a mortgage or charge shall have any effect in law without the approval of the Minister unless all of the Foreclosure or exercise of power of sale, when approval of Minister required

land subject to such mortgage or charge is included in the foreclosure or exercise of the power of sale, as the case may be, but this subsection does not apply where the land foreclosed or in respect of which the power of sale is exercised comprises only,

(*a*) the whole of one or more lots or blocks within one or more registered plans of subdivision; or

(*b*) one or more parcels of land that do not abut any other parcel of land that is subject to the same mortgage or charge.

s. 29, amended

(3) The said section 29, as amended by the Statutes of Ontario, 1971, chapter 2, section 1, 1972, chapter 118, section 3, 1973, chapter 168, section 6, 1974, chapter 53, section 4 and 1975 (2nd Session), chapter 18, section 1, is further amended by adding thereto the following subsection:

Agreements

(12*a*) Every municipality and the Minister may enter into agreements imposed as a condition to the giving of a consent and any such agreement may be registered against the land to which it applies and the municipality or the Minister, as the case may be, shall be entitled to enforce the provisions thereof against the owner and, subject to the provisions of *The Registry Act* and *The Land Titles Act*, any and all subsequent owners of the land.

R.S.O. 1970, cc. 409, 234

s. 29 (14), repealed

(4) Subsection 14 of the said section 29 is repealed.

s. 35*c*, enacted

3. The said Act is amended by adding thereto the following section:

Interpretation

35*c*.—(1) In this section,

(*a*) "mobile home" means any dwelling that is designed to be made mobile, and constructed or manufactured to provide a permanent residence for one or more persons, but does not include a travel trailer or tent trailer or trailer otherwise designed;

(*b*) "parcel of land" means a lot or block within a registered plan of subdivision or any land that may be legally conveyed under the exemption provided in clause *b* of subsection 2 or clause *a* of subsection 4 of section 29.

One mobile home per parcel of land

(2) Unless otherwise authorized by a by-law in force under section 35 or an order of the Minister made under clause *a* of subsection 1 of section 32, no person shall erect or locate or use or cause to be erected, located or used, a mobile home except on a parcel of land as

defined in clause *b* of subsection 1, and in no case except as otherwise so authorized shall any person erect, locate or use or cause to be erected, located or used more than one mobile home on any such parcel of land.

Saving

(3) This section does not apply to prevent the continued use in the same location of any mobile home that,

(*a*) is erected or located and in use prior to the 1st day of June, 1977; or

(*b*) is erected or located in accordance with a building permit issued prior to the 1st day of June, 1977.

Offence

(4) Every person who contravenes this section is guilty of an offence and on summary conviction is liable to a fine of not more than $1,000.

Right to restrain

(5) In addition to any other remedy or penalty provided by law, any contravention of this section may be restrained by action at the instance of the Minister or the municipality in which the contravention took place or any adjoining municipality or any ratepayer of any such municipality or adjoining municipality and, where the contravention took place in territory without municipal organization, the action may be taken at the instance of the Minister or any resident of such territory or any adjoining municipality or any ratepayer of any adjoining municipality.

s. 44*b* (2), re-enacted

4. Subsection 2 of section 44*b* of the said Act, as re-enacted by the Statutes of Ontario, 1974, chapter 53, section 8, is repealed and the following substituted therefor:

Delegation of Minister's powers

R.S.O. 1970, cc. 77, 284, 409

(2) The Minister on the request of a council may by order delegate to the council any of the Minister's authority under this Act, under section 24 of *The Condominium Act*, under subsection 8 of section 443 and subsection 2 of section 450 of *The Municipal Act* and under subsection 4 of section 86 of *The Registry Act* and where the Minister has delegated any such authority, the council has, in lieu of the Minister, all the powers and rights of the Minister in respect thereof and the council shall be responsible for all matters pertaining thereto, including, without limiting the generality of the foregoing, the referral of any matter to the Municipal Board.

Commencement

5.—(1) This Act, except subsection 2 of section 2, comes into force on the day it receives Royal Assent.

Idem

(2) Subsection 2 of section 2 shall be deemed to have come into force on the 18th day of December, 1975.

Short title

6. This Act may be cited as *The Planning Amendment Act, 1976*.

An Act to amend
The Planning Act

1st Reading

April 27th, 1976

2nd Reading

May 25th, 1976

3rd Reading

May 25th, 1976

THE HON. J. R. RHODES
Minister of Housing

1976

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to provide for Individualized Price Marking on Products

MR. MACDONALD

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

Self-explanatory.

BILL 63 **1976**

An Act to provide for Individualized Price Marking on Products

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

Sale prohibited without price

1. No person shall sell or offer to sell at retail to the public any product unless the price of that product, in a form readily ascertainable by the public, appears on the product or where the product is in a container or package on the container or package.

Offence

2. Every person who contravenes any provision of this Act is guilty of an offence and on summary conviction is liable to a fine of not more than $1,000.

Commencement

3. This Act comes into force on the day it receives Royal Assent.

Short title

4. This Act may be cited as *The Individual Product Pricing Act, 1976*.

An Act to provide for
Individualized Price Marking
on Products

1st Reading

April 27th, 1976

2nd Reading

3rd Reading

MR. MACDONALD

(*Private Member's Bill*)

1976

BILL 64 **Government Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Housing Development Act

THE HON. J. R. RHODES
Minister of Housing

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Notes

Section 1.—Subsection 1. Subsections 1 and 2 of section 2*a* presently read as follows:

> (*1*) *The Minister, out of the moneys appropriated therefor by the Legislature, may make grants or loans to a municipality or to any person on such terms and conditions and in such amounts as are prescribed by the regulations to assist in the repair, rehabilitation and improvement of real property used for residential purposes, which property is occupied by the owner thereof.*
>
> (*2*) *Where a municipality uses moneys received from the Minister under subsection 1 to make a loan to an owner of real property used for residential purposes for the purposes referred to in subsection 1, the amount of the loan, together with interest at a rate to be determined by the council of the municipality, may be added by the clerk of the municipality to the collector's roll and collected in like manner as municipal taxes over a period fixed by the council, and such amount and interest shall, until payment thereof, be a lien or charge upon the land in respect of which the loan has been made.*

The effect of the re-enactment of subsection 1 is to extend the program of grants or loans to tenant-occupied property and to the conversion of property to residential uses.

The effect of the re-enactment of subsection 2 is to provide that the rate of interest on loans to property owners to assist in the repair, rehabilitation, improvement or conversion of residential real property be determined in accordance with regulations made under the Act rather than by the municipal council.

Subsection 2. The amount of a loan to a property owner by a municipality may be recovered by adding it to the collector's roll; the new subsection permits municipalities to take a promissory note as security, either in lieu of or in addition to adding the amount to the collector's roll.

BILL 64 **1976**

An Act to amend The Housing Development Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1.—(1) Subsections 1 and 2 of section 2*a* of *The Housing Development Act*, being chapter 213 of the Revised Statutes of Ontario, 1970, as enacted by the Statutes of Ontario, 1974, chapter 31, section 3, are repealed and the following substituted therefor: s. 2*a* (1, 2), re-enacted

(1) The Minister, out of the moneys appropriated therefor by the Legislature, may make grants or loans to a municipality or to any person on such terms and conditions and in such amounts as are prescribed by the regulations to assist in the repair, rehabilitation, improvement or conversion of real property used or to be used for residential purposes. Grants or loans

(2) Where a municipality uses moneys received from the Minister under subsection 1 to make a loan to an owner of real property used or to be used for residential purposes for the purposes referred to in subsection 1, the amount of the loan, together with interest at a rate to be determined in accordance with the regulations, may be added by the clerk of the municipality to the collector's roll and collected in like manner as municipal taxes over a period fixed by the council, and such amount and interest shall, until payment thereof, be a lien or charge upon the land in respect of which the loan has been made. Lien

(2) The said section 2*a* is amended by adding thereto the following subsection: s. 2*a*, amended

(4) As an alternative or in addition to adding the amount of the loan and interest to the collector's roll and registering a certificate in respect thereof as provided in subsections 2 and 3, the municipality may take from Promissory note

the owner a promissory note as security for the repayment of the amount loaned and interest thereon.

s. 6 (2), re-enacted

2. Subsection 2 of section 6 of the said Act is repealed and the following substituted therefor:

Corporation to carry out building developments and housing projects

(2) The Lieutenant Governor in Council may constitute corporations with such powers and duties as are deemed expedient to carry out any of the terms of any agreement made under subsection 1, or to carry out any building development or housing project, including power to plan, construct, and manage any building development or any housing project undertaken under any such agreement or otherwise, and including power to acquire and dispose of land in its own name.

s. 17 (1) (*a*), amended

3. Clause *a* of subsection 1 of section 17 of the said Act is amended by adding at the end thereof "or for providing financial assistance to or for the benefit of any occupant or any class or classes of occupant of housing accommodation to assist in the payment of rent, mortgage payments or other charges relating to the occupancy of such accommodation".

Commencement

4.—(1) This Act, except subsection 1 of section 1, comes into force on the day it receives Royal Assent.

Idem

(2) Subsection 1 of section 1 shall be deemed to have come into force on the 18th day of June, 1974.

Short title

5. This Act may be cited as *The Housing Development Amendment Act, 1976*.

SECTION 2. Subsection 2 of section 6 is set out below with the words added by the re-enactment shown underlined; "building development" is defined by clause *a* of section 1 of the Act as a project or undertaking designed to provide, or to facilitate in any way the provision, repair, rehabilitation or improvement of, housing accommodation with or without public buildings, recreational facilities, industrial and commercial buildings or space appropriate therefor.

(2) *The Lieutenant Governor in Council may constitute corporations with such powers and duties as are deemed expedient to carry out any of the terms of any agreement made under subsection 1, or to carry out any building development or housing project, including power to plan, construct and manage any building development or any housing project undertaken under any such agreement or otherwise, and including power to acquire and dispose of land in its own name.*

SECTION 3. Clause *a* of subsection 1 of section 17 of the Act will now read as follows:

17.—(1) *A municipality, with the approval of the Minister, may,*

(a) *enter into an agreement with any person or governmental authority for sharing or contributing to the capital cost or the maintenance cost of a housing project or for providing financial assistance to or for the benefit of any occupant or any class or classes of occupant of housing accommodation to assist in the payment of rent, mortgage payments or other charges relating to the occupancy of such accommodation.*

The words added, shown underlined, authorize municipalities to enter into agreements to assist occupants of residential premises with the carrying charges of their accommodation, such as rent or mortgage payments.

An Act to amend
The Housing Development Act

1st Reading

April 27th, 1976

2nd Reading

3rd Reading

THE HON. J. R. RHODES
Minister of Housing

(*Government Bill*)

1976

BILL 64

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Housing Development Act

THE HON. J. R. RHODES
Minister of Housing

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 64 **1976**

An Act to amend The Housing Development Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1.—(1) Subsections 1 and 2 of section 2*a* of *The Housing Development Act*, being chapter 213 of the Revised Statutes of Ontario, 1970, as enacted by the Statutes of Ontario, 1974, chapter 31, section 3, are repealed and the following substituted therefor: s. 2*a* (1, 2), re-enacted

(1) The Minister, out of the moneys appropriated therefor by the Legislature, may make grants or loans to a municipality or to any person on such terms and conditions and in such amounts as are prescribed by the regulations to assist in the repair, rehabilitation, improvement or conversion of real property used or to be used for residential purposes. Grants or loans

(2) Where a municipality uses moneys received from the Minister under subsection 1 to make a loan to an owner of real property used or to be used for residential purposes for the purposes referred to in subsection 1, the amount of the loan, together with interest at a rate to be determined in accordance with the regulations, may be added by the clerk of the municipality to the collector's roll and collected in like manner as municipal taxes over a period fixed by the council, and such amount and interest shall, until payment thereof, be a lien or charge upon the land in respect of which the loan has been made. Lien

(2) The said section 2*a* is amended by adding thereto the following subsection: s. 2*a*, amended

(4) As an alternative or in addition to adding the amount of the loan and interest to the collector's roll and registering a certificate in respect thereof as provided in subsections 2 and 3, the municipality may take from Promissory note

the owner a promissory note as security for the repayment of the amount loaned and interest thereon.

s. 6 (2), re-enacted

2. Subsection 2 of section 6 of the said Act is repealed and the following substituted therefor:

Corporation to carry out building developments and housing projects

(2) The Lieutenant Governor in Council may constitute corporations with such powers and duties as are deemed expedient to carry out any of the terms of any agreement made under subsection 1, or to carry out any building development or housing project, including power to plan, construct, and manage any building development or any housing project undertaken under any such agreement or otherwise, and including power to acquire and dispose of land in its own name.

s. 17 (1) (*a*), amended

3. Clause *a* of subsection 1 of section 17 of the said Act is amended by adding at the end thereof "or for providing financial assistance to or for the benefit of any occupant or any class or classes of occupant of housing accommodation to assist in the payment of rent, mortgage payments or other charges relating to the occupancy of such accommodation".

Commencement

4.—(1) This Act, except subsection 1 of section 1, comes into force on the day it receives Royal Assent.

Idem

(2) Subsection 1 of section 1 shall be deemed to have come into force on the 18th day of June, 1974.

Short title

5. This Act may be cited as *The Housing Development Amendment Act, 1976*.



An Act to amend
The Housing Development Act

1st Reading

April 27th, 1976

2nd Reading

May 25th, 1976

3rd Reading

June 8th, 1976

THE HON. J. R. RHODES
Minister of Housing

1976

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to provide for the Appointment of a Labour Ombudsman

MR. REID

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

The purpose of the Bill is to establish a Labour Ombudsman to hear and investigate employee complaints with respect to employers and trade unions.

BILL 65 **1976**

An Act to provide for the Appointment of a Labour Ombudsman

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

Interpretation

1. In this Act,

(*a*) "Minister" means the Minister of Labour;

(*b*) "Ministry" means the Ministry of Labour;

(*c*) "trade union" has the same meaning as in section 1 of *The Labour Relations Act*. R.S.O. 1970, c. 232

Appointment

2. There shall be appointed by the Lieutenant Governor in Council on the recommendation of the Assembly as an officer of the Legislature a Labour Ombudsman, who shall exercise the powers and perform the duties set out in this Act.

Term of office

3.—(1) The recommendation for the appointment of the Labour Ombudsman shall be made in the first session of every Legislature.

Reappointment

(2) Unless his office sooner becomes vacant, every person appointed as Labour Ombudsman shall hold office until his successor is appointed, and every such person may from time to time be reappointed.

Resignation

(3) The Labour Ombudsman may at any time resign his office by a writing addressed to the Speaker of the Assembly.

Removal from office

4.—(1) The Labour Ombudsman may at any time be removed or suspended from his office by the Lieutenant Governor in Council on the recommendation of the Assembly for disability, neglect of duty or misconduct.

Suspension when Legislature not in session

(2) At any time when the Legislature is not in session, the Labour Ombudsman may be suspended from his office by the Lieutenant Governor in Council for disability, neglect of duty or misconduct proved to the satisfaction of the Lieutenant Governor in Council, but any such suspension shall not continue in force beyond the end of the next ensuing session of the Legislature.

Filling of vacancy

5.—(1) If the Labour Ombudsman dies, retires, resigns or is removed from office, the vacancy thereby created shall be filled in accordance with this section.

When Legislature in session

(2) If a vacancy in the office of Labour Ombudsman occurs at any time while the Legislature is in session, it shall be filled by the appointment of a Labour Ombudsman by the Lieutenant Governor in Council on the recommendation of the Assembly, but, if the vacancy occurs less than one month before the end of that session and no such recommendation is made in that session, subsection 3 applies as if the vacancy had occurred while the Legislature was not in session.

When Legislature not in session

(3) If such a vacancy occurs at any time while the Legislature is not in session, the Lieutenant Governor in Council may appoint a Labour Ombudsman to fill the vacancy, and the person so appointed shall, unless his office sooner becomes vacant, hold office until his appointment is confirmed by the Assembly, and, if the appointment is not so confirmed within two months after the commencement of the next ensuing session, the appointment lapses, and there shall be deemed to be a vacancy in the office of Labour Ombudsman.

Oath of office

6.—(1) Before entering upon his duties, the Labour Ombudsman shall take an oath that he will faithfully and impartially perform the duties of his office and that he will not, except in accordance with subsection 2 of section 12, divulge any information received by him under this Act.

Idem

(2) The oath shall be administered by the Speaker of the Assembly or by the Clerk of the Assembly.

Staff

7. Subject to the approval of the Lieutenant Governor in Council, the Labour Ombudsman may appoint such officers and employees as may be necessary for the efficient carrying out of his functions under this Act.

Duty

8.—(1) It is the duty of the Labour Ombudsman, and he has the power to investigate any matter, decision or recommendation made, including any recommendation to the Minister, with respect to any employee and his relations with an employer or a trade union.

Initiation of investigation

(2) The Labour Ombudsman may undertake an investigation under subsection 1, either on a complaint made to him by any person or of his own motion and the Labour Ombudsman has the powers of a commission under Part II of *The Public Inquiries Act, 1971*, which Part applies to such investigation as if it were an inquiry under that Act.

1971, c. 49

Powers and duties paramount

9. The powers and duties conferred on the Labour Ombudsman by this Act may be exercised and performed notwithstanding any provision in any Act to the effect that any decision, recommendation, act or omission mentioned in subsection 1 is final, or that no appeal lies in respect thereof, or that no proceeding or decision of the person or organization whose decision, recommendation, act or omission it is shall be challenged, reviewed, quashed or called in question.

Mode of complaint

10. Every complaint to the Labour Ombudsman shall be made in writing.

Discretion to investigate

11. Without limiting the generality of the powers conferred on the Labour Ombudsman by this Act, the Labour Ombudsman may in his discretion decide not to investigate, or, as the case may require, not to further investigate, any complaint if it relates to any decision, recommendation, act or omission of which the complainant has had knowledge for more than twelve months before the complaint is received by the Labour Ombudsman, or if in the opinion of the Labour Ombudsman,

(*a*) the subject-matter of the complaint is trivial;

(*b*) the complaint is frivolous or vexatious or is not made in good faith; or

(*c*) the complainant has not a sufficient personal interest in the subject-matter of the complaint.

Secrecy

12.—(1) The Labour Ombudsman and every person holding any office or appointment under him shall maintain secrecy in respect of all matters that come to their knowledge in the exercise of their functions.

Exception

(2) Notwithstanding subsection 1, the Labour Ombudsman may disclose in any report made by him under this

Act, such matters as in his opinion ought to be disclosed in order to establish grounds for his conclusions and recommendations.

Report to Minister

13.—(1) Where the Labour Ombudsman has undertaken an investigation under section 8, he shall, as soon as is practicable after the completion of the investigation, report to the Minister his findings together with any recommendations which he may consider appropriate.

Report to Assembly

(2) If, within a reasonable time after the report referred to in subsection 1 is made, no action is taken that seems to the Labour Ombudsman to be adequate and appropriate in the circumstances, the Labour Ombudsman, in his discretion, after considering the comments, if any, made by the Minister, shall submit a copy of his report and recommendations to the Lieutenant Governor in Council and shall then lay the report before the Assembly if it is in session or, if not, at the next ensuing session.

Commencement

14. This Act comes into force on the day it receives Royal Assent.

Short title

15. This Act may be cited as *The Labour Ombudsman Act, 1976*.



An Act to provide for the
Appointment of a Labour Ombudsman

1st Reading

April 27th, 1976

2nd Reading

3rd Reading

MR. REID

(*Private Member's Bill*)

BILL 66 **Private Member's Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Ontario Human Rights Code

MR. LELUK

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

The purpose of the Bill is to prevent discrimination because of marital status with respect to the occupancy of any commercial unit or any housing accommodation.

BILL 66 **1976**

An Act to amend The Ontario Human Rights Code

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 1 of section 3 of *The Ontario Human Rights Code*, being chapter 318 of the Revised Statutes of Ontario, 1970, as re-enacted by the Statutes of Ontario, 1972, chapter 119, section 4, and amended by 1974, chapter 73, section 1, is repealed and the following substituted therefor: s. 3 (1), re-enacted

(1) No person, directly or indirectly, alone or with another, by himself or by the interposition of another, shall, Discrimination prohibited re occupancy of commercial units or housing accommodation

(*a*) deny to any person or class of persons occupancy of any commercial unit or any housing accommodation; or

(*b*) discriminate against any person or class of persons with respect to any term or condition of occupancy of any commercial unit or any housing accommodation,

because of race, creed, colour, sex, marital status, nationality, ancestry or place of origin of such person or class of persons or of any other person or class of persons.

2. This Act comes into force on the day it receives Royal Assent. Commencement

3. This Act may be cited as *The Ontario Human Rights Code Amendment Act, 1976*. Short title

An Act to amend
The Ontario Human Rights Code

1st Reading

April 27th, 1976

2nd Reading

3rd Reading

MR. LELUK

(*Private Member's Bill*)

1976

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to establish The Ontario Bill of Rights

MR. ROY

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

This Bill will provide for an Ontario Bill of Rights. The Canadian Bill of Rights enacted by the Parliament of Canada in 1960 provides for the protection of certain human rights and fundamental freedoms but its effectiveness is limited by the fact that it operates only within the fields of the federal Parliament's constitutional authority. The Ontario Bill of Rights is intended to provide for the protection of those same human rights and fundamental freedoms so that in Ontario those rights and freedoms will have protection in both provincial and federal fields of legislative jurisdiction. The result will be to have those rights and freedoms protected in Ontario under a single legislative shield consisting of the Canadian Bill of Rights and The Ontario Bill of Rights.

The effect of the Bill will be to have the Legislature, out of its respect for those rights and freedoms, limit its powers to enact statutes and regulations.

BILL 67 **1976**

An Act to establish The Ontario Bill of Rights

Preamble

WHEREAS the free and democratic society existing in Ontario is founded upon principles, fostered by tradition, that honour and respect human rights and fundamental freedoms and the dignity and worth of the human person; and whereas the Parliament of Canada, being desirous of enshrining certain principles and the human rights and fundamental freedoms derived from them, enacted the Canadian Bill of Rights in order to ensure the protection of those rights and freedoms in Canada in matters coming within its legislative authority; and whereas the Legislature of Ontario, affirming those principles and recognizing the need to ensure the protection of those rights and freedoms in Ontario in matters coming within its legislative authority, desires to enact The Ontario Bill of Rights.

Therefore, Her Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

Declaration of rights and fundamental freedoms

1. It is hereby recognized and declared that in Ontario there exist, without discrimination by reason of race, national origin, colour, religion or sex, the following human rights and fundamental freedoms, namely,

(*a*) the right of the individual to liberty, security of the person and enjoyment of property, and the right not to be deprived thereof except by due process of law;

(*b*) the right of the individual to equality before the law and the protection of the law;

(*c*) freedom of religion;

(*d*) freedom of speech;

(*e*) freedom of assembly and association; and

(*f*) freedom of the press.

Construction and application of statutes and regulations

2. Every statute and regulation of Ontario shall, unless it is expressly declared by an Act of the Legislature that it operates notwithstanding this Act, be so construed and applied as not to abrogate, abridge or infringe or to authorize the abrogation, abridgement or infringement of any of the rights or freedoms herein recognized and declared.

Rights preserved

3.—(1) Nothing in this Act shall be construed to abrogate or abridge any human right or fundamental freedom not enumerated herein that may have existed in Ontario at the commencement of this Act.

Jurisdiction of Legislature

(2) The provisions of this Act shall be construed as extending only to matters coming within the legislative authority of the Legislature of Ontario.

Notice to Attorney General

4.—(1) Where in any action or other proceeding a question arises as to whether any law of Ontario abrogates, abridges or infringes, or authorizes the abrogation, abridgment or infringement, of any of the rights and freedoms herein recognized and declared, no adjudication on that question is valid unless notice has been given to the Attorney General.

Attorney General may appear

(2) Where the Attorney General has notice under subsection 1, he may, in person or by counsel, appear and participate in that action or proceeding on such terms and conditions as the court, person or body conducting the proceeding may consider just.

Law of Ontario defined

5. In this Act, "law of Ontario" means,

(*a*) any Act of the Legislature of Ontario enacted before, on or after the commencement of this Act; and

(*b*) any order, rule or regulation made or approved by the Lieutenant Governor in Council or by a Minister of the Crown before, on or after the commencement of this Act.

Commencement

6. This Act comes into force on the day it receives Royal Assent.

Short title

7. This Act may be cited as *The Ontario Bill of Rights, 1976*.

An Act to establish
The Ontario Bill of Rights

1st Reading

April 27th, 1976

2nd Reading

3rd Reading

MR. ROY

(*Private Member's Bill*)

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to prevent post retirement integration of Insurance Moneys and Pension Benefits with increases in Government social security plans

MR. LAUGHREN

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

The purpose of the Bill is to prevent the reduction of moneys paid out under an insurance or pension plan because of a general increase or cost of living increase in a government social security plan with which it may be integrated.

BILL 68 **1976**

An Act to prevent post retirement integration of Insurance Moneys and Pension Benefits with increases in Government social security plans

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act, Interpretation

(*a*) "government social security plan" means,

(i) the *Canada Pension Plan* (Canada), R.S.C. 1970, c. C-5

(ii) the *Old Age Security Act* (Canada), R.S.C. 1970, c. O-6

(iii) the *Department of Veterans Affairs Act* (Canada), R.S.C. 1970, c. V-1

(iv) *The Ontario Guaranteed Annual Income Act, 1974*, or 1974, c. 58

(v) *The Family Benefits Act*; R.S.O. 1970, c. 157

(*b*) "insurance money" has the same meaning as defined in paragraph 32 of section 1 of *The Insurance Act*; R.S.O. 1970, c. 224

(*c*) "pension benefit" has the same meaning as defined in clause *g* of subsection 1 of section 1 of *The Pension Benefits Act*. R.S.O. 1970, c. 342

2. Notwithstanding the provisions of any other Act, no insurance money or pension benefit shall be reduced by reason of an increase in any payment made under a government social security plan. Prohibition

3. This Act comes into force on the day it receives Royal Assent. Commencement

Short title

4. This Act may be cited as *The Post Retirement Integration of Insurance Moneys and Pension Benefits Prevention Act, 1976*.

An Act to prevent post retirement integration of Insurance Moneys and Pension Benefits with increases in Government social security plans

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1st Reading

April 29th, 1976

2nd Reading

3rd Reading

MR. LAUGHREN

(*Private Member's Bill*)

1976

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Municipal Elections Act, 1972

MR. SAMIS

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The purpose of the Bill is to require all candidates at a municipal election to reveal all election contributions of $100 or more.

BILL 69 **1976**

An Act to amend The Municipal Elections Act, 1972

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. *The Municipal Elections Act, 1972*, being chapter 95, is amended by adding thereto the following section: s. 91*a*, enacted

CAMPAIGN FUNDING

91*a*.—(1) Every candidate at an election shall file with the clerk, within forty-five days from the date of the election, a statement setting out all contributions of $100 or more to the candidate's campaign, including contributions of goods or services. Contributions over $100 to be reported

(2) The clerk shall make available to the public all statements filed with him under subsection 1. Statements available to public

(3) Every candidate at an election who fails to file a statement under subsection 1 within the time required is guilty of an offence and on summary conviction is liable to a fine of not more than $1,000 or to imprisonment for a term of not more than six months, or to both. Offence

2. This Act comes into force on the day it receives Royal Assent. Commencement

3. This Act may be cited as *The Municipal Elections Amendment Act, 1976*. Short title

An Act to amend
The Municipal Elections Act, 1972

1st Reading

April 29th, 1976

2nd Reading

3rd Reading

MR. SAMIS

(*Private Member's Bill*)

1976

BILL 70 Private Member's Bill

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Highway Traffic Act

MR. EVANS

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

The Bill provides for the mandatory installation of air bags in automobiles sold or offered for sale after the 1st day of July, 1978.

BILL 70 **1976**

An Act to amend The Highway Traffic Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. *The Highway Traffic Act*, being chapter 202 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following section: s. 63*b*, enacted

63*b*.—(1) In this section, "air bag" means a device installed within the passenger compartment of an automobile which inflates immediately upon impact with any other object and thereby restrains the movement of persons within the passenger compartment to prevent or mitigate injury. Interpretation

(2) No person shall sell or offer for sale in Ontario an automobile designed for passenger use that is not equipped with air bags. Air bags required

(3) No person shall drive on a highway an automobile designed for passenger use that is not equipped with air bags. Idem

(4) Subsections 2 and 3 do not apply to automobiles designed for passenger use manufactured in Ontario or imported into Ontario prior to July 1st, 1978. Exception

(5) The Lieutenant Governor in Council may make regulations providing for the exemption from any of the provisions of this section of, Regulations

(*a*) any type or class of motor vehicles;

(*b*) any class of drivers or passengers in motor vehicles.

2. This Act comes into force on the day it receives Royal Assent. Commencement

3. This Act may be cited as *The Highway Traffic Amendment Act, 1976*. Short title

An Act to amend
The Highway Traffic Act

1st Reading

April 30th, 1976

2nd Reading

3rd Reading

MR. EVANS

(*Private Member's Bill*)

1976

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Employment Standards Act, 1974

MR. LEWIS

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

The purpose of the Bill is to require employers to pay employees their regular wages where the employee's contract of employment is or has become impossible of performance or frustrated by an order, direction or notice made, given or issued under any Act for health or safety reasons. The employer would be required to pay the employee for a period of up to sixty days while the clean-up or repairs are taking place.

The Act is also amended to ensure that an employee is given proper notice where an order, direction or notice is made, given or issued under any Act. The old subsection only referred to an order, direction or notice under *The Environmental Protection Act, 1971*.

BILL 71 **1976**

An Act to amend The Employment Standards Act, 1974

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 4 of section 40 of *The Employment Standards Act, 1974*, being chapter 112, is repealed and the following substituted therefor: s. 40 (4), re-enacted

(4) Notwithstanding clause *d* of subsection 3, subsections 1 and 2 shall apply to an employee whose contract of employment is or has become impossible of performance or frustrated by an order, direction or notice made, given or issued against an employer under any Act. Application of subss. 1, 2

(4*a*) Where an employee's contract of employment is or has become impossible of performance or frustrated by an order, direction or notice made, given or issued against an employer under any Act and where the order, direction or notice is made, given or issued for health or safety reasons, the employer, subject to subsection 4*b*, shall pay to the employee during the period of the clean-up or repairs, as the case may be, the wages the employee is entitled to receive which in no case shall be less than his regular wages for a regular non-overtime work week. Payment during time of repairs or clean-up

(4*b*) No employer shall be required to pay an employee under subsection 4*a* for any period of clean-up or repairs which exceeds sixty days. Time limit

2. This Act comes into force on the day it receives Royal Assent. Commencement

3. This Act may be cited as *The Employment Standards Amendment Act, 1976*. Short title

An Act to amend
The Employment Standards
Act, 1974

1st Reading

April 30th, 1976

2nd Reading

3rd Reading

MR. LEWIS

(*Private Member's Bill*)

1976

BILL 72 **Private Member's Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Legislative Assembly Act

MR. WILLIAMS

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

The amendment would require a person who holds office as a member of a council of a municipality and whose term of office is not yet three-quarters expired to resign his office on official nomination day if he wishes to be elected to the Assembly.

BILL 72 **1976**

An Act to amend The Legislative Assembly Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 2 of section 8*a* of *The Legislative Assembly Act*, being chapter 240 of the Revised Statutes of Ontario, 1970, as enacted by the Statutes of Ontario, 1972, chapter 131, section 1, is repealed and the following substituted therefor: s. 8*a*(2), re-enacted

(2) Where a person is nominated to run as a candidate for election to the Assembly and that person holds office as a member of the council of a municipality, including a district, metropolitan or regional municipality, or as a member of a local board, as defined in *The Municipal Affairs Act*, of such a municipality he shall be deemed to have resigned such office on official nomination day except where on that day his term of office is more than three-quarters expired. Member deemed to have resigned municipal office on official nomination day R.S.O. 1970, c. 118

(2*a*) Where his term of office if more than three-quarters expired as of nomination day, a person who is elected a member of the Assembly while holding an office referred to in subsection 2 may continue to hold such office, notwithstanding any other Act, until the end of the day on which the return of the election of such person to the Assembly is published in *The Ontario Gazette* under section 127 of *The Election Act*, at which time he shall be deemed to have resigned such office. Member deemed to have resigned municipal office when election to Assembly published R.S.O. 1970, c. 142

2. This Act comes into force on the day it receives Royal Assent. Commencement

3. This Act may be cited as *The Legislative Assembly Amendment Act, 1976*. Short title

An Act to amend
The Legislative Assembly Act

1st Reading

April 30th, 1976

2nd Reading

3rd Reading

MR. WILLIAMS

(*Private Member's Bill*)

1976

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act respecting Simcoe Day

MR. SMITH (Simcoe East)

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

The purpose of the Bill is to change the name of the public holiday celebrated in many municipalities on the first Monday in August from "Civic Holiday" to Simcoe Day in honour of John Graves Simcoe who was appointed first Lieutenant Governor of Upper Canada on September 12th, 1791, and who convened the first legislative assembly and established the capital of the Province at York, now Toronto.

BILL 73 **1976**

An Act respecting Simcoe Day

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

Simcoe Day

1. Where the first Monday in August in any year is proclaimed a public holiday in a municipality, the name of the holiday shall be Simcoe Day.

Other references

2. An Act, regulation, proclamation, contract or document that refers to a public holiday under the name of "Civic Holiday" shall be deemed to refer to Simcoe Day.

Commencement

3. This Act comes into force on the day it receives Royal Assent.

Short title

4. This Act may be cited as *The Simcoe Day Act, 1976*.

An Act respecting
Simcoe Day

1st Reading

May 4th, 1976

2nd Reading

3rd Reading

Mr. Smith (Simcoe East)

(*Private Member's Bill*)

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to provide for the Regulation of Driver Training Schools

MR. REID

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

The purpose of the Bill is to provide for the regulation of driver training schools.

Provision is made for the registration of operators of driver training schools and the licensing of driving instructors. Provision is also made for the setting of minimum standards for such schools, the instructors and the instruction given.

BILL 74 **1976**

An Act to provide for the Regulation of Driver Training Schools

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act, Interpretation

(*a*) "driver training school" means any school or place wherein persons are taught to operate motor vehicles or taught or instructed in preparation for examination for licences to operate motor vehicles on a highway;

(*b*) "driving instructor" means a person who teaches persons to operate motor vehicles or teaches or instructs persons in preparation for examination for licences to operate motor vehicles on a highway and receives compensation therefor;

(*c*) "Executive Director" means the Executive Director of the Business Practices Division of the Ministry of Consumer and Commercial Relations;

(*d*) "Minister" means the Minister of Consumer and Commercial Relations;

(*e*) "motor vehicle" means a motor vehicle as defined in section 1 of *The Highway Traffic Act*; R.S.O. 1970, c. 202

(*f*) "prescribed" means prescribed by this Act or the regulations;

(*g*) "registered" means registered under this Act;

(*h*) "Registrar" means the Registrar of Driver Training Schools;

(*i*) "regulations" means the regulations made under this Act;

(*j*) "Tribunal" means The Commercial Registration Appeal Tribunal established under *The Department of Financial and Commercial Affairs Act*.

R.S.O. 1970, c. 113

Registrar

2.—(1) There shall be a Registrar of Driver Training Schools who shall be appointed by the Lieutenant Governor in Council.

Duties of Registrar

(2) The Registrar may exercise the powers and shall perform the duties conferred or imposed upon him by or under this Act under the supervision of the Executive Director.

Registration required

3.—(1) No person shall,

(*a*) operate a driver training school unless he is registered under this Act; or

(*b*) act as a driving instructor for or on behalf of a driver training school unless he is registered as a driving instructor of such school and the school is registered as a driver training school under this Act.

Representation

(2) No person shall publish or cause to be published any representation that he is registered under this Act.

Name and place of business

(3) A registered driver training school shall not carry on business in a name other than the name in which it is registered.

School to ensure instructor registered

4. A driver training school shall not retain the services of a driving instructor who is not registered under this Act.

Registration

5.—(1) An applicant is entitled to registration or renewal of registration by the Registrar except where,

(*a*) having regard to his financial position, the applicant cannot reasonably be expected to be financially responsible in the conduct of his business; or

(*b*) the past conduct of the applicant affords reasonable grounds for belief that he will not carry on business in accordance with law and with integrity and honesty; or

(*c*) the applicant is a corporation and,

(i) having regard to its financial position, it cannot reasonably be expected to be financially responsible in the conduct of its business, or

(ii) the past conduct of its officers or directors affords reasonable grounds for belief that its business will not be carried on in accordance with law and with integrity and honesty; or

(*d*) the applicant is carrying on activities that are, or will be, if the applicant is registered, in contravention of this Act or the regulations.

Conditions of registration

(2) A registration is subject to such terms and conditions to give effect to the purposes of this Act as are consented to by the applicant, imposed by the Tribunal or prescribed by the regulations.

Refusal to register

6.—(1) Subject to section 7, the Registrar may refuse to register an applicant where in the Registrar's opinion the applicant is disentitled to registration under section 5.

Suspension or revocation

(2) Subject to section 7, the Registrar may refuse to renew or may suspend or revoke a registration for any reason that would disentitle the registrant to registration under section 5 if he were an applicant, or where the registrant is in breach of a term or condition of the registration.

Notice of proposal to refuse or revoke

7.—(1) Where the Registrar proposes to refuse to grant or renew a registration or proposes to suspend or revoke a registration, he shall serve notice of his proposal, together with written reasons therefor, on the applicant or registrant.

Notice requiring hearing

(2) A notice under subsection 1 shall inform the applicant or registrant that he is entitled to a hearing by the Tribunal if he mails or delivers, within fifteen days after the notice under subsection 1 is served on him, notice in writing requiring a hearing to the Registrar and the Tribunal, and he may so require such a hearing.

Powers of Registrar where no hearing

(3) Where an applicant or registrant does not require a hearing by the Tribunal in accordance with subsection 2, The Registrar may carry out the proposal stated in his notice under subsection 1.

Powers of Tribunal where hearing

(4) Where an applicant or registrant requires a hearing by the Tribunal in accordance with subsection 2, the Tribunal shall appoint a time for and hold the hearing and, on the application of the Registrar at the hearing, may by order direct the Registrar to carry out his proposal or refrain from carrying out his proposal and to take such action as the Tribunal considers the Registrar ought to take in accordance with this Act and the regulations, and for such purposes the Tribunal may substitute its opinion for that of the Registrar.

Conditions of order

(5) The Tribunal may attach such terms and conditions to its order or to the registration as it considers proper to give effect to the purposes of this Act.

Parties

(6) The Registrar, the applicant or registrant who has required the hearing and such other persons as the Tribunal may specify are parties to proceedings before the Tribunal under this section.

Voluntary cancellation

(7) Notwithstanding subsection 1, the Registrar may cancel a registration upon the request in writing of the registrant in the prescribed form surrendering his registration.

Continuation of registration pending renewal

(8) Where, within the time prescribed therefor or, if no time is prescribed, before expiry of his registration, a registrant has applied for renewal of his registration and paid the prescribed fee, his registration shall be deemed to continue,

(*a*) until the renewal is granted; or

(*b*) where he is served with notice that the Registrar proposes to refuse to grant the renewal, until the time for giving notice requiring a hearing has expired and, where a hearing is required, until the Tribunal has made its order.

Order effective, stay R.S.O. 1970, c. 113

(9) Notwithstanding that a registrant appeals from an order of the Tribunal under section 9*b* of *The Ministry of Consumer and Commercial Relations Act*, the order takes effect immediately, but the Tribunal may grant a stay until disposition of the appeal.

Further applications

8. A further application for registration may be made upon new or other evidence or where it is clear that material circumstances have changed.

Investigation of complaints

9.—(1) Where the Registrar receives a complaint in respect of a driver training school and so requests in writing, the

driver training school shall furnish the Registrar with such information respecting the matter complained of as the Registrar requires.

Idem

(2) The request under subsection 1 shall indicate the nature of the inquiry involved.

Idem

(3) For the purposes of subsection 1, the Registrar or any person designated in writing by him may at any reasonable time enter upon the business premises of the driver training school to make an inspection in relation to the complaint.

Inspection

10.—(1) The Registrar or any person designated by him in writing may at any reasonable time enter upon the business premises of the registrant to make an inspection to ensure that the provisions of this Act and the regulations relating to registration are being complied with.

Idem

(2) Where the Registrar has reasonable and probable grounds to believe that any person is operating a driver training school or acting as a driving instructor while unregistered, the Registrar or any person designated by him in writing may at any reasonable time enter upon such person's business premises to make an inspection for the purpose of determining whether or not the person is in contravention of section 3.

Powers on inspection

11.—(1) Upon an inspection under section 9 or 10, the person inspecting,

(*a*) is entitled to free access to all books of account, cash, documents, bank accounts, vouchers, correspondence and records of the person being inspected that are relevant for the purposes of the inspection; and

(*b*) may, upon giving a receipt therefor, remove any material referred to in clause *a* that relates to the purpose of the inspection for the purpose of making a copy thereof, provided that such copying is carried out with reasonable dispatch and the material in question is promptly thereafter returned to the person being inspected,

and no person shall obstruct the person inspecting or withhold or destroy, conceal or refuse to furnish any information or thing required by the person inspecting for the purposes of the inspection.

Admissibility of copies

(2) Any copy made as provided in subsection 1 and purporting to be certified by an inspector is admissible in evidence in any action, proceeding or prosecution as *prima facie* proof of the original.

Investigations by order of Minister

12. The Minister may by order appoint a person to make an investigation into any matter to which this Act applies as may be specified in the Minister's order and the person appointed shall report the result of his investigation to the Minister and, for the purposes of the investigation, the person making it has the powers of a commission under Part II of *The Public Inquiries Act, 1971*, which Part applies to such investigation as if it were an inquiry under that Act.

1971, c. 49

Investigation by Executive Director

13.—(1) Where, upon a statement made under oath, the Executive Director believes on reasonable and probable grounds that any person has,

(*a*) contravened any of the provisions of this Act or the regulations; or

R.S.C. 1970, c. C-34

(*b*) committed an offence under the *Criminal Code* (Canada) or under the law of any jurisdiction that is relevant to his fitness for registration under this Act,

the Executive Director may by order appoint one or more persons to make an investigation to ascertain whether such a contravention of the Act or regulations or the commission of such an offence has occurred and the person appointed shall report the result of his investigation to the Executive Director.

Powers of investigator

(2) For purposes relevant to the subject-matter of an investigation under this section, the person appointed to make the investigation may inquire into and examine the affairs of the person in respect of whom the investigation is being made and may,

(*a*) upon production of his appointment, enter at any reasonable time the business premises of such person and examine books, papers, documents and things relevant to the subject-matter of the investigation; and

(*b*) inquire into negotiations, transactions, loans, borrowings made by or on behalf of or in relation to such person and into property, assets or things owned, acquired or alienated in whole or in part

by him or any person acting on his behalf that are relevant to the subject-matter of the investigation,

and for the purposes of the inquiry, the person making the investigation has the powers of a commission under Part II of *The Public Inquiries Act, 1971*, which Part applies to such inquiry as if it were an inquiry under that Act. 1971, c. 49

(3) No person shall obstruct a person appointed to make an investigation under this section or withhold from him or conceal or destroy any books, papers, documents or things relevant to the subject-matter of the investigation. Obstruction of investigator

(4) Where a provincial judge is satisfied, upon an *ex parte* application by the person making an investigation under this section, that the investigation has been ordered and that such person has been appointed to make it and that there is reasonable ground for believing there are in any building, dwelling, receptacle or place any books, papers, documents or things relating to the person whose affairs are being investigated and to the subject-matter of the investigation, the provincial judge may, whether or not an inspection has been made or attempted under clause *a* of subsection 2, issue an order authorizing the person making the investigation, together with such police officer or officers as he calls upon to assist him, to enter and search, if necessary by force, such building, dwelling, receptacle or place for such books, papers, documents or things and to examine them, but every such entry and search shall be made between sunrise and sunset unless the provincial judge, by the order, authorizes the person making the investigation to make the search at night. Search warrant

(5) Any person making an investigation under this section may, upon giving a receipt therefor, remove any books, papers, documents or things examined under clause *a* of subsection 2 or subsection 4 relating to the person whose affairs are being investigated and to the subject-matter of the investigation for the purpose of making copies of such books, papers or documents, but such copying shall be carried out with reasonable dispatch and the books, papers or documents in question shall be promptly thereafter returned to the person whose affairs are being investigated. Removal of books, etc.

(6) Any copy made as provided in subsection 5 and certified to be a true copy by the person making the investigation is admissible in evidence in any action, proceeding or prosecution as *prima facie* proof of the original book, paper or document and its contents. Admissibility of copies

Appointment of experts

(7) The Minister or Executive Director may appoint any expert to examine books, papers, documents or things examined under clause *a* of subsection 2 or under subsection 4.

Matters confidential

14.—(1) Every person employed in the administration of this Act, including any person making an inquiry, inspection or an investigation under section 9, 10, 11, 12, or 13, shall preserve secrecy in respect of all matters that come to his knowledge in the course of his duties, employment, inquiry, inspection or investigation and shall not communicate any such matters to any other person except,

(*a*) as may be required in connection with the administration of this Act and the regulations or any proceedings under this Act or the regulations; or

(*b*) to his counsel; or

(*c*) with the consent of the person to whom the information relates.

Testimony in civil suit

(2) No person to whom subsection 1 applies shall be required to give testimony in any civil suit or proceeding with regard to information obtained by him in the course of his duties, employment, inquiry, inspection or investigation except in a proceeding under this Act or the regulations.

Report

15. Where, upon the report of an investigation made under subsection 1 of section 13, it appears to the Executive Director that a person may have,

(*a*) contravened any of the provisions of this Act or the regulations; or

R.S.C. 1970, c. C-34

(*b*) committed an offence, under the *Criminal Code* (Canada) or under the law of any jurisdiction, that is relevant to his fitness for registration under this Act,

the Executive Director shall send a full and complete report of the investigation, including the report made to him, any transcript of evidence and any material in the possession of the Executive Director relating thereto, to the Minister.

Notice of changes

16.—(1) Every operator of a driver training school shall, within five days after the event, notify the Registrar in writing of,

(*a*) any change in his address for service;

(*b*) any change in the officers in the case of a corporation or of the members in the case of a partnership;

(*c*) any commencement or termination of the employment, appointment or authorization of a driving instructor;

(*d*) in the case of a corporation, any change in the ownership of its shares.

Idem

(2) Every driving instructor shall, within five days after the event, notify the Registrar in writing of,

(*a*) any change in his address for service; and

(*b*) any commencement or termination of his employment.

Financial statements

17.—(1) Every operator of a driver training school shall, when required by the Registrar with the approval of the Executive Director, file a financial statement showing the matters specified by the Registrar and signed by the operator of the driver training school and certified by a person licensed under *The Public Accountancy Act*.

R.S.O. 1970, c. 373

Statement confidential

(2) The information contained in a financial statement filed under subsection 1 is confidential and no person shall otherwise than in the ordinary course of his duties communicate any such information or allow access to or inspection of the financial statement.

Service

18.—(1) Any notice or order required to be given or served under this Act or the regulations is sufficiently given or served if delivered personally or sent by registered mail addressed to the person to whom delivery or service is required to be made at the latest address for service appearing on the records of the Ministry of Consumer and Commercial Relations.

When service deemed to be made

(2) Where service is made by registered mail, the service shall be deemed to be made on the third day after the day of mailing unless the person on whom service is being made establishes that he did not, acting in good faith, through absence, accident, illness or other cause beyond his control receive the notice or order until a later date.

Exception

(3) Notwithstanding subsections 1 and 2, the Tribunal may order any other method of service in respect of any matter before the Tribunal.

Restraining orders

19.—(1) Where it appears to the Executive Director that any person does not comply with any provision of this Act, the regulations or an order made under this Act, notwithstanding the imposition of any penalty in respect of such non-compliance and in addition to any other rights he may have, the Executive Director may apply to a judge of the High Court for an order directing such person to comply with such provision, and upon the application the judge may make such order or such other order as the judge thinks fit.

Appeal

(2) An appeal lies to the Court of Appeal from an order made under subsection 1.

Offences

20.—(1) Every person who, knowingly,

(*a*) furnishes false information in any application under this Act or in any statement or return required to be furnished under this Act or the regulations;

(*b*) fails to comply with any order, direction or other requirement made under this Act; or

(*c*) contravenes any provision of this Act or the regulations,

and every director or officer of a corporation, who knowingly concurs in such furnishing, failure or contravention, is guilty of an offence and on summary conviction is liable to a fine of not more than $2,000 or to imprisonment for a term of not more than one year, or to both.

Corporations

(2) Where a corporation is convicted of an offence under subsection 1, the maximum penalty that may be imposed upon the corporation is $25,000 and not as provided therein.

Consent of Minister

(3) No proceedings under this section shall be instituted except with the consent of the Minister.

Limitation

(4) No proceeding under clause *a* of subsection 1 shall be commenced more than one year after the facts upon which the proceeding is based first came to the knowledge of the Executive Director.

Idem

(5) No proceeding under clause *b* or *c* of subsection 1 shall be commenced more than two years after the time when the subject-matter of the proceeding arose.

21. A statement as to, Certificate as evidence

(*a*) the registration or non-registration of any person;

(*b*) the filing or non-filing of any document or material required or permitted to be filed with the Registrar;

(*c*) the time when the facts upon which proceedings are based first came to the knowledge of the Executive Director; or

(*d*) any other matter pertaining to such registration, non-registration, filing or non-filing,

purporting to be certified by the Executive Director is, without proof of the office or signature of the Executive Director, receivable in evidence as *prima facie* proof of the facts stated therein for all purposes in any action, proceeding or prosecution.

22. The Lieutenant Governor in Council may make regulations, Regulations

(*a*) exempting any class of person from this Act or the regulations or any provision thereof;

(*b*) governing applications for registration or renewal of registration and prescribing terms and conditions of registration;

(*c*) requiring the payment of fees on application for registration or renewal of registration, and prescribing the amounts thereof;

(*d*) requiring registered driver training schools or any class thereof to be bonded in such form and terms and with such collateral security as are prescribed, and providing for the forfeiture of bonds and the disposition of the proceeds;

(*e*) prescribing further procedures respecting the conduct of matters coming before the Tribunal;

(*f*) requiring and governing the books, accounts and records that shall be kept by driver training schools;

(*g*) requiring driver training schools and driving instructors to make returns and furnish information to the Registrar;

(*h*) prescribing forms for the purposes of this Act and providing for their use;

(*i*) requiring any information required to be furnished or contained in any form or return to be verified by affidavit.

Commencement

23. This Act comes into force on the day it receives Royal Assent.

Short title

24. This Act may be cited as *The Driver Training Schools Act, 1976*.

An Act to provide
for the Regulation of Driver
Training Schools

1st Reading

May 4th, 1976

2nd Reading

3rd Reading

MR. REID

(*Private Member's Bill*)

1976

BILL 75 **Government Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act respecting The Board of Education for the City of Windsor and Teachers Dispute

THE HON. T. L. WELLS
Minister of Education

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 75 **1976**

An Act respecting The Board of Education for the City of Windsor and Teachers Dispute

Preamble

WHEREAS The Board of Education for the City of Windsor and its secondary school teachers have been negotiating terms and conditions of employment; and whereas the board of education locked out the teachers employed by it on the 1st day of April, 1976 and closed its secondary schools on the 5th day of April, 1976; and whereas a state of strike by the secondary school teachers against the board of education has been in effect since the 30th day of March, 1976; and whereas the board of education and its secondary school teachers have been unable to make an agreement as to terms and conditions of employment; and whereas the public interest, and in particular the interests of students, requires that the board of education terminate the lock-out and open its secondary schools and that the secondary school teachers return to and resume their duties and that means be found for the settlement of the matters in dispute between the board of education and its secondary school teachers;

Therefore, Her Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

Interpretation

1. In this Act,

(*a*) "arbitrator" means the arbitrator appointed under this Act;

(*b*) "board" means The Board of Education for the City of Windsor;

(*c*) "branch affiliate" means the organization composed of all the teachers employed by the board who are members of The Ontario Secondary School Teachers' Federation;

1975, c. 72

(*d*) "Commission" means the Education Relations Commission established under *The School Boards and Teachers Collective Negotiations Act, 1975*;

(*e*) "lock-out" has the same meaning as in *The School Boards and Teachers Collective Negotiations Act, 1975*;

(*f*) "parties" means the board and the branch affiliate;

(*g*) "strike" has the same meaning as in *The School Boards and Teachers Collective Negotiations Act, 1975*;

(*h*) "teachers" means the secondary school teachers employed on permanent or probationary contracts by the board.

Resumption of employment and operation of schools

2.—(1) The teachers who are on strike against the board shall, on the first school day following the day this Act comes into force, return to and resume their duties in accordance with their contracts of employment and written collective understanding in effect on the 1st day of January, 1976 with the board and the board shall, on the first school day following the day this Act comes into force, resume the employment of such teachers in accordance with such contracts and written collective understanding and open and resume the normal operation of the schools in which the teachers are employed.

Strike or lock-out

(2) During the period from and including the first school day following the day this Act comes into force until the day an agreement that is made between the parties or that includes the decision of the arbitrator comes into effect, no teacher shall take part in a strike against the board and the board shall not lock out a teacher.

Instructional days

(3) During the period from and including the first school day following the day this Act comes into force to and including the 30th day of June, 1976 and notwithstanding Ontario Regulation 546/73 but only in relation to the teachers to whom this Act applies, the days designated by the board as professional activity days pursuant to Ontario Regulation 546/73 shall not be professional activity days but shall be instructional days within the meaning of that regulation.

Exception

(4) Nothing in this Act precludes a teacher from not returning to and resuming his duties with the board for reasons of health or by mutual consent in writing of the teacher and the board.

Arbitration

3.—(1) The parties shall be deemed to have agreed to refer all matters remaining in dispute between them that may be provided for in an agreement under *The School Boards and Teachers Collective Negotiations Act, 1975* to an arbitrator for determination under and in accordance with Part IV of that Act.

1975, c. 72

Appointment of arbitrator

(2) The Lieutenant Governor in Council shall forthwith after this Act comes into force appoint the arbitrator referred to in subsection 1.

Notices of matters remaining in dispute

(3) The parties shall each give written notice to the arbitrator within seven days after the day this Act comes into force setting out all the matters the parties have agreed upon for inclusion in an agreement and all the matters remaining in dispute between the parties, and the notice shall be deemed to be notice to the Commission in accordance with subsection 1 of section 29 of *The School Boards and Teachers Collective Negotiations Act, 1975*.

Procedure

(4) The arbitrator upon receipt of a notice shall examine into and decide all matters that are in dispute between the parties as evidenced by the notices referred to in subsection 3 and any other matters that appear to him to be necessary to be decided in order to make a decision.

Application

(5) Except as otherwise provided in this Act, *The School Boards and Teachers Collective Negotiations Act, 1975* applies to the arbitrator, to the proceedings conducted before him, to the parties and to the teachers.

Term of agreement

4.—(1) Notwithstanding subsection 1 of section 51 of *The School Boards and Teachers Collective Negotiations Act, 1975*, the agreement giving effect to all matters agreed upon by the parties and the decision of the arbitrator shall be for the period commencing on the 2nd day of January, 1976 and expiring on the 31st day of August, 1977.

Time for report of arbitrator

(2) Notwithstanding subsection 1 of section 36 of *The School Boards and Teachers Collective Negotiations Act, 1975*, the arbitrator shall complete the consideration of all matters in dispute between the parties and shall report in writing his decision on the matters to the parties and to the Commission within thirty days after his appointment as arbitrator or within such longer period of time as may be provided in writing by the arbitrator and consented to by the Commission.

Offences

5.—(1) Every person or party that contravenes any provision of this Act is guilty of an offence.

Idem
1975, c. 72

(2) The provisions of *The School Boards and Teachers Collective Negotiations Act, 1975* respecting offences and penalties and the procedures relating thereto apply in respect of a contravention of any provision of this Act.

Commencement

6. This Act comes into force on the day it receives Royal Assent.

Short title

7. This Act may be cited as *The Windsor Board of Education and Teachers Dispute Act, 1976*.

An Act respecting The Board of Education for the City of Windsor and Teachers Dispute

---

1st Reading

May 6th, 1976

2nd Reading

3rd Reading

THE HON. T. L. WELLS
Minister of Education

(*Government Bill*)

1976

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act respecting The Board of Education for the City of Windsor and Teachers Dispute

THE HON. T. L. WELLS
Minister of Education

(Reprinted as amended by the Committee of the Whole House)

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 75 1976

An Act respecting The Board of Education for the City of Windsor and Teachers Dispute

Preamble

WHEREAS The Board of Education for the City of Windsor and its secondary school teachers have been negotiating terms and conditions of employment; and whereas the board of education locked out the teachers employed by it; and whereas the board of education closed its secondary schools on the 5th day of April, 1976; and whereas a state of strike by the secondary school teachers against the board of education has been in effect since the 30th day of March, 1976; and whereas the board of education and its secondary school teachers have been unable to make an agreement as to terms and conditions of employment; and whereas the public interest, and in particular the interests of students, requires that the board of education terminate the lock-out and open its secondary schools and that the secondary school teachers return to and resume their duties and that means be found for the settlement of the matters in dispute between the board of education and its secondary school teachers;

Therefore, Her Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

Interpretation

1. In this Act,

(*a*) "arbitrator" means the arbitrator appointed under this Act;

(*b*) "board" means The Board of Education for the City of Windsor;

(*c*) "branch affiliate" means the organization composed of all the teachers employed by the board who are members of The Ontario Secondary School Teachers' Federation;

1975, c. 72

(*d*) "Commission" means the Education Relations Commission established under *The School Boards and Teachers Collective Negotiations Act, 1975*;

(*e*) "lock-out" has the same meaning as in *The School Boards and Teachers Collective Negotiations Act, 1975*;

(*f*) "parties" means the board and the branch affiliate;

(*g*) "strike" has the same meaning as in *The School Boards and Teachers Collective Negotiations Act, 1975*;

(*h*) "teachers" means the secondary school teachers employed on permanent or probationary contracts by the board.

Resumption of employment and operation of schools

2.—(1) The teachers who are on strike against the board shall, on the first school day following the day this Act comes into force, return to and resume their duties in accordance with their contracts of employment and written collective understanding in effect on the 1st day of January, 1976 with the board and the board shall, on the first school day following the day this Act comes into force, resume the employment of such teachers in accordance with all terms of such contracts and written collective understanding and open and resume the normal operation of the schools in which the teachers are employed.

Strike or lock-out

(2) During the period from and including the first school day following the day this Act comes into force until the day an agreement that is made between the parties or that includes the decision of the arbitrator comes into effect, no teacher shall take part in a strike against the board and the board shall not lock out a teacher.

Instructional days

(3) During the period from and including the first school day following the day this Act comes into force to and including the 30th day of June, 1976 and notwithstanding Ontario Regulation 546/73 but only in relation to the teachers to whom this Act applies, the days designated by the board as professional activity days pursuant to Ontario Regulation 546/73 shall not be professional activity days but shall be instructional days within the meaning of that regulation.

Exception

(4) Nothing in this Act precludes a teacher from not returning to and resuming his duties with the board for reasons of health or by mutual consent in writing of the teacher and the board.

Arbitration

3.—(1) The parties shall be deemed to have agreed to refer all matters remaining in dispute between them that may be provided for in an agreement under *The School Boards and Teachers Collective Negotiations Act, 1975* to an arbitrator for determination under and in accordance with Part IV of that Act.

1975, c. 72

Appointment of arbitrator

(2) The Lieutenant Governor in Council shall forthwith after this Act comes into force appoint the arbitrator referred to in subsection 1.

Notices of matters remaining in dispute

(3) The parties shall each give written notice to the arbitrator within seven days after the day this Act comes into force setting out all the matters the parties have agreed upon for inclusion in an agreement and all the matters remaining in dispute between the parties, and the notice shall be deemed to be notice to the Commission in accordance with subsection 1 of section 29 of *The School Boards and Teachers Collective Negotiations Act, 1975*.

Procedure

(4) The arbitrator upon receipt of a notice shall examine into and decide all matters that are in dispute between the parties as evidenced by the notices referred to in subsection 3 and any other matters that appear to him to be necessary to be decided in order to make a decision.

Application

(5) Except as otherwise provided in this Act, *The School Boards and Teachers Collective Negotiations Act, 1975* applies to the arbitrator, to the proceedings conducted before him, to the parties and to the teachers.

Term of agreement

4.—(1) Notwithstanding subsection 1 of section 51 of *The School Boards and Teachers Collective Negotiations Act, 1975*, the agreement giving effect to all matters agreed upon by the parties and the decision of the arbitrator shall be for the period commencing on the 2nd day of January, 1976 and expiring on the 31st day of August, 1977.

Time for report of arbitrator

(2) Notwithstanding subsection 1 of section 36 of *The School Boards and Teachers Collective Negotiations Act, 1975*, the arbitrator shall complete the consideration of all matters in dispute between the parties and shall report in writing his decision on the matters to the parties and to the Commission within thirty days after his appointment as arbitrator or within such longer period of time as may be provided in writing by the arbitrator and consented to by the Commission.

Offences

5.—(1) Every person or party that contravenes any provision of this Act is guilty of an offence.

Idem
1975, c. 72

(2) The provisions of *The School Boards and Teachers Collective Negotiations Act, 1975* respecting offences and penalties and the procedures relating thereto apply in respect of a contravention of any provision of this Act.

Commencement

6. This Act comes into force on the day it receives Royal Assent.

Short title

7. This Act may be cited as *The Windsor Board of Education and Teachers Dispute Act, 1976*.

An Act respecting The Board of Education for the City of Windsor and Teachers Dispute

---

1st Reading

May 6th, 1976

2nd Reading

May 7th, 1976

3rd Reading

THE HON. T. L. WELLS
Minister of Education

(*Reprinted as amended by the Committee of the Whole House*)

1976

BILL 75

3rd Session, 30th Legislature, Ontario
25 Elizabeth II, 1976

An Act respecting The Board of Education for the City of Windsor and Teachers Dispute

The Hon. T. L. Wells
Minister of Education

TORONTO
Printed by J. C. Thatcher, Queen's Printer for Ontario

BILL 75 **1976**

An Act respecting The Board of Education for the City of Windsor and Teachers Dispute

Preamble

WHEREAS The Board of Education for the City of Windsor and its secondary school teachers have been negotiating terms and conditions of employment; and whereas the board of education locked out the teachers employed by it; and whereas the board of education closed its secondary schools on the 5th day of April, 1976; and whereas a state of strike by the secondary school teachers against the board of education has been in effect since the 30th day of March, 1976; and whereas the board of education and its secondary school teachers have been unable to make an agreement as to terms and conditions of employment; and whereas the public interest, and in particular the interests of students, requires that the board of education terminate the lock-out and open its secondary schools and that the secondary school teachers return to and resume their duties and that means be found for the settlement of the matters in dispute between the board of education and its secondary school teachers;

Therefore, Her Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

Interpretation

1. In this Act,

(*a*) "arbitrator" means the arbitrator appointed under this Act;

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1975, c. 72

(*d*) "Commission" means the Education Relations Commission established under *The School Boards and Teachers Collective Negotiations Act, 1975*;

(*e*) "lock-out" has the same meaning as in *The School Boards and Teachers Collective Negotiations Act, 1975*;

(*f*) "parties" means the board and the branch affiliate;

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Resumption of employment and operation of schools

2.—(1) The teachers who are on strike against the board shall, on the first school day following the day this Act comes into force, return to and resume their duties in accordance with their contracts of employment and written collective understanding in effect on the 1st day of January, 1976 with the board and the board shall, on the first school day following the day this Act comes into force, resume the employment of such teachers in accordance with all terms of such contracts and written collective understanding and open and resume the normal operation of the schools in which the teachers are employed.

Strike or lock-out

(2) During the period from and including the first school day following the day this Act comes into force until the day an agreement that is made between the parties or that includes the decision of the arbitrator comes into effect, no teacher shall take part in a strike against the board and the board shall not lock out a teacher.

Instructional days

(3) During the period from and including the first school day following the day this Act comes into force to and including the 30th day of June, 1976 and notwithstanding Ontario Regulation 546/73 but only in relation to the teachers to whom this Act applies, the days designated by the board as professional activity days pursuant to Ontario Regulation 546/73 shall not be professional activity days but shall be instructional days within the meaning of that regulation.

Exception

(4) Nothing in this Act precludes a teacher from not returning to and resuming his duties with the board for reasons of health or by mutual consent in writing of the teacher and the board.

Arbitration

3.—(1) The parties shall be deemed to have agreed to refer all matters remaining in dispute between them that may be provided for in an agreement under *The School Boards and Teachers Collective Negotiations Act, 1975* to an arbitrator for determination under and in accordance with Part IV of that Act.

1975, c. 72

Appointment of arbitrator

(2) The Lieutenant Governor in Council shall forthwith after this Act comes into force appoint the arbitrator referred to in subsection 1.

Notices of matters remaining in dispute

(3) The parties shall each give written notice to the arbitrator within seven days after the day this Act comes into force setting out all the matters the parties have agreed upon for inclusion in an agreement and all the matters remaining in dispute between the parties, and the notice shall be deemed to be notice to the Commission in accordance with subsection 1 of section 29 of *The School Boards and Teachers Collective Negotiations Act, 1975*.

Procedure

(4) The arbitrator upon receipt of a notice shall examine into and decide all matters that are in dispute between the parties as evidenced by the notices referred to in subsection 3 and any other matters that appear to him to be necessary to be decided in order to make a decision.

Application

(5) Except as otherwise provided in this Act, *The School Boards and Teachers Collective Negotiations Act, 1975* applies to the arbitrator, to the proceedings conducted before him, to the parties and to the teachers.

Term of agreement

4.—(1) Notwithstanding subsection 1 of section 51 of *The School Boards and Teachers Collective Negotiations Act, 1975*, the agreement giving effect to all matters agreed upon by the parties and the decision of the arbitrator shall be for the period commencing on the 2nd day of January, 1976 and expiring on the 31st day of August, 1977.

Time for report of arbitrator

(2) Notwithstanding subsection 1 of section 36 of *The School Boards and Teachers Collective Negotiations Act, 1975*, the arbitrator shall complete the consideration of all matters in dispute between the parties and shall report in writing his decision on the matters to the parties and to the Commission within thirty days after his appointment as arbitrator or within such longer period of time as may be provided in writing by the arbitrator and consented to by the Commission.

Offences

5.—(1) Every person or party that contravenes any provision of this Act is guilty of an offence.

Idem
1975, c. 72

(2) The provisions of *The School Boards and Teachers Collective Negotiations Act, 1975* respecting offences and penalties and the procedures relating thereto apply in respect of a contravention of any provision of this Act.

Commencement

6. This Act comes into force on the day it receives Royal Assent.

Short title

7. This Act may be cited as *The Windsor Board of Education and Teachers Dispute Act, 1976*.

An Act respecting The Board of Education for the City of Windsor and Teachers Dispute

---

1st Reading

May 6th, 1976

2nd Reading

May 7th, 1976

3rd Reading

May 7th, 1976

THE HON. T. L. WELLS
Minister of Education

1976

BILL 76 **Government Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Personal Property Security Act

THE HON. S. B. HANDLEMAN
Minister of Consumer and Commercial Relations

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The amendment provides the means for registering security interests that were registrable but unregistered before *The Personal Property Security Act* came into force.

The commencement date coincides with the date upon which *The Personal Property Security Act* has been proclaimed in force.

BILL 76 **1976**

An Act to amend The Personal Property Security Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 64 of *The Personal Property Security Act*, being chapter 344 of the Revised Statutes of Ontario, 1970, is repealed and the following substituted therefor: s. 64, re-enacted

64.—(1) Except as otherwise provided herein, this Act applies only to a security agreement made on or after the day on which this section comes into force, and does not apply to a security agreement made before such day. Application of Act

(2) Subject to section 65, a security agreement made before the day on which this section comes into force that required a registration in order to comply with *The Assignment of Book Debts Act*, *The Bills of Sale and Chattel Mortgages Act* or *The Conditional Sales Act* continues to have such force and effect as if those Acts had not been repealed if a financing statement is registered pursuant to this Act within ninety days after the execution of the security agreement, and section 63 applies, *mutatis mutandis*, in respect of any extension of such time. Application re prior unregistered security R.S.O. 1970, cc. 33, 45, 76

2. This Act shall be deemed to have come into force on the 1st day of April, 1976. Commencement

3. This Act may be cited as *The Personal Property Security Amendment Act, 1976*. Short title

An Act to amend
The Personal Property Security Act

1st Reading

May 6th, 1976

2nd Reading

3rd Reading

THE HON. S. B. HANDLEMAN
Minister of Consumer and
Commercial Relations

(*Government Bill*)

1976

BILL 76

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Personal Property Security Act

THE HON. S. B. HANDLEMAN
Minister of Consumer and Commercial Relations

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 76 **1976**

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(2) Subject to section 65, a security agreement made before the day on which this section comes into force that required a registration in order to comply with *The Assignment of Book Debts Act*, *The Bills of Sale and Chattel Mortgages Act* or *The Conditional Sales Act* continues to have such force and effect as if those Acts had not been repealed if a financing statement is registered pursuant to this Act within ninety days after the execution of the security agreement, and section 63 applies, *mutatis mutandis*, in respect of any extension of such time. Application re prior unregistered security R.S.O. 1970, cc. 33, 45, 76

2. This Act shall be deemed to have come into force on the 1st day of April, 1976. Commencement

3. This Act may be cited as *The Personal Property Security Amendment Act, 1976*. Short title

An Act to amend
The Personal Property Security Act

1st Reading

May 6th, 1976

2nd Reading

May 25th, 1976

3rd Reading

May 25th, 1976

THE HON. S. B. HANDLEMAN
Minister of Consumer and
Commercial Relations

BILL 77 **Government Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Vital Statistics Act

THE HON. S. B. HANDLEMAN
Minister of Consumer and Commercial Relations

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

The amendment permits, upon request, the registration of a double surname as the name of a child both in the case where the husband is the father and in the case where paternity is acknowledged by a person who is not married to the mother.

BILL 77 **1976**

An Act to amend The Vital Statistics Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 6 of *The Vital Statistics Act*, being chapter 483 of the Revised Statutes of Ontario, 1970, as amended by the Statutes of Ontario, 1973, chapter 114, section 3, is further amended by adding thereto the following subsection: s. 6, amended

(11) Upon the joint request in the prescribed form of the mother and the husband referred to in subsection 4 or of the mother and person acknowledging himself to be the father under subsection 5 or 8, the birth of a child may be registered, Registration of double surname

(*a*) where the registration is under subsection 4, showing the surname of the husband hyphenated or combined with, but followed by, the surname of the mother as the surname of the child; or

(*b*) where the registration is made under subsection 5 or 8 or amended under subsection 6 or 9, showing the surname of the person acknowledging himself to be the father, hyphenated or combined with, but followed by, the surname of the mother as the surname of the child.

2. This Act comes into force on a day to be named by proclamation of the Lieutenant Governor. Commencement

3. This Act may be cited as *The Vital Statistics Amendment Act, 1976*. Short title

An Act to amend
The Vital Statistics Act

1st Reading

May 6th, 1976

2nd Reading

3rd Reading

THE HON. S. B. HANDLEMAN
Minister of Consumer and
Commercial Relations

(*Government Bill*)

1976

BILL 77

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Vital Statistics Act

THE HON. S. B. HANDLEMAN
Minister of Consumer and Commercial Relations

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 77 **1976**

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(*a*) where the registration is under subsection 4, showing the surname of the husband hyphenated or combined with, but followed by, the surname of the mother as the surname of the child; or

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2. This Act comes into force on a day to be named by proclamation of the Lieutenant Governor. Commencement

3. This Act may be cited as *The Vital Statistics Amendment Act, 1976*. Short title

An Act to amend
The Vital Statistics Act

1st Reading

May 6th, 1976

2nd Reading

May 25th, 1976

3rd Reading

May 25th, 1976

THE HON. S. B. HANDLEMAN
Minister of Consumer and
Commercial Relations

1976

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend the City of Thunder Bay Act, 1968-69

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and Minister of Economics and Intergovernmental Affairs

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

Subsections 5*a* and 5*b* read as follows:

(5*a*) *Notwithstanding subsection 5, the wards described therein shall be continued for the election to be held in the year 1974, and the council of the City shall, in the year 1975, apply to the Ontario Municipal Board for confirmation of the said ward system or for the establishment in the City of such other system for the election of persons to the council as the council considers suitable.*

(5*b*) *The Ontario Municipal Board may, notwithstanding The Municipal Act, establish such system for the election of persons to the council of the City as the Municipal Board in its discretion considers suitable.*

The subsection added extends from the 1st day of April to the 15th day of May, the time by which the City clerk is to notify the assessment commissioner of the boundaries of polling subdivisions for the purposes of the 1976 municipal elections; it is consequent on the order of the Municipal Board establishing new wards for the City, effective March 31st, 1976.

BILL 78 **1976**

An Act to amend the City of Thunder Bay Act, 1968-69

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 3 of *The City of Thunder Bay Act, 1968-69*, being chapter 56, as amended by the Statutes of Ontario, 1972, chapter 36, section 1 and 1974, chapter 45, section 2, is further amended by adding thereto the following subsection: s. 3, amended

(5*c*) Notwithstanding subsection 1 of section 17 of *The Municipal Elections Act, 1972*, for the purposes of the municipal elections to be held in 1976, the clerk of the City shall divide the municipality into polling subdivisions and shall not later than the 15th day of May, 1976, inform the assessment commissioner of the boundaries of each subdivision. Polling sub-divisions, 1976 elections 1972, c. 95

2. This Act comes into force on the day it receives Royal Assent. Commencement

3. This Act may be cited as *The City of Thunder Bay Amendment Act, 1976*. Short title

An Act to amend
the City of Thunder Bay
Act, 1968-69

1st Reading

May 6th, 1976

2nd Reading

3rd Reading

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and
Minister of Economics and
Intergovernmental Affairs

(*Government Bill*)

1976

BILL 78

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend the City of Thunder Bay Act, 1968-69

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and Minister of Economics and Intergovernmental Affairs

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 78 **1976**

An Act to amend the City of Thunder Bay Act, 1968-69

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 3 of *The City of Thunder Bay Act, 1968-69*, being chapter 56, as amended by the Statutes of Ontario, 1972, chapter 36, section 1 and 1974, chapter 45, section 2, is further amended by adding thereto the following subsection: s. 3, amended

(5*c*) Notwithstanding subsection 1 of section 17 of *The Municipal Elections Act, 1972*, for the purposes of the municipal elections to be held in 1976, the clerk of the City shall divide the municipality into polling subdivisions and shall not later than the 15th day of May, 1976, inform the assessment commissioner of the boundaries of each subdivision. Polling sub-divisions, 1976 elections 1972, c. 95

2. This Act comes into force on the day it receives Royal Assent. Commencement

3. This Act may be cited as *The City of Thunder Bay Amendment Act, 1976*. Short title

An Act to amend
the City of Thunder Bay
Act, 1968-69

1st Reading

May 6th, 1976

2nd Reading

May 10th, 1976

3rd Reading

May 11th, 1976

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and
Minister of Economics and
Intergovernmental Affairs

1976

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Ontario Human Rights Code

MR. BOUNSALL

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

The purpose of the Bill is to prevent discrimination in employment on the basis of a physical disability, criminal record, political affiliation or sexual orientation.

BILL 79 **1976**

An Act to amend The Ontario Human Rights Code

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1.—(1) Subsection 1 of section 4 of *The Ontario Human Rights Code*, being chapter 318 of the Revised Statutes of Ontario, 1970, as re-enacted by the Statutes of Ontario, 1972, chapter 119, section 5, is amended by inserting after "status" in the twenty-second line "a physical disability, criminal record, political affiliation or sexual orientation". s. 4 (1), amended

(2) Subsection 2 of the said section 4 is amended by inserting after "status" in the fifth line "a physical disability, criminal record, political affiliation or sexual orientation". s. 4 (2), amended

(3) Subsection 3 of the said section 4 is amended by inserting after "status" in the ninth line "a physical disability, criminal record, political affiliation or sexual orientation". s. 4 (3), amended

(4) Subsection 4 of the said section 4 is amended by inserting after "colour" in the fifth line and in the eighth line "a physical disability, criminal record, political affiliation or sexual orientation". s. 4 (4), amended

(5) Subsection 5 of the said section 4 is amended by inserting after "status" in the third line "a physical disability, criminal record, political affiliation or sexual orientation". s. 4 (5), amended

(6) The said section 4, as amended by the Statutes of Ontario, 1974, chapter 73, sections 2 and 3, is further amended by adding thereto the following subsection: s. 4, amended

Application of section

(6*a*) The provisions of this section do not apply where the nature or extent of the physical disability would reasonably preclude the performance of the particular employment.

s. 4*a* (1), amended

2.—(1) Subsection 1 of section 4*a* of the said Act, as enacted by the Statutes of Ontario, 1972, chapter 119, section 6, is amended by inserting after "status" in the fourth line "a physical disability, criminal record, political affiliation or sexual orientation".

s. 4*a*(2), amended

(2) Subsection 2 of the said section 4*a* is amended by inserting after "status" in the fourth line "a physical disability, criminal record, political affiliation or sexual orientation".

s. 6*a*, amended

3. Section 6*a* of the said Act, as enacted by the Statutes of Ontario, 1972, chapter 119, section 7, is amended by inserting after "status" in the eighth line "physical disabilities, criminal record, political affiliations or sexual orientation".

s. 9 (*a*, *c*), amended

4. Clauses *a* and *c* of section 9 of the said Act, as re-enacted by the Statutes of Ontario, 1972, chapter 119, section 9, are amended by inserting after "status" in the fourth line, in each instance, "physical disabilities, criminal record, political affiliations or sexual orientation".

s. 19, amended

5. Section 19 of the said Act, as amended by the Statutes of Ontario, 1972, chapter 119, section 14, is further amended by adding thereto the following clause:

(*ba*) "criminal record" means a record of a conviction under the *Criminal Code* (Canada).

R.S.C. 1970, c. C-34

Commencement

6. This Act comes into force on the day it receives Royal Assent.

Short title

7. This Act may be cited as *The Ontario Human Rights Code Amendment Act, 1976*.

An Act to amend
The Ontario Human Rights Code

1st Reading

May 6th, 1976

2nd Reading

3rd Reading

MR. BOUNSALL

(*Private Member's Bill*)

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Child Welfare Act

MR. LELUK

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

The purpose of the Bill is to provide a liaison between the Ministry and the various children's aid societies by having a person appointed by the Lieutenant Governor in Council on the board of directors of each children's aid society.

BILL 80 **1976**

An Act to amend The Child Welfare Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 1 of section 7 of *The Child Welfare Act*, being chapter 64 of the Revised Statutes of Ontario, 1970, is repealed and the following substituted therefor: s. 7 (1), re-enacted

(1) A children's aid society shall be governed by a board of directors composed of, Board of directors

(*a*) such municipal representatives as are determined under subsections 2 to 6;

(*b*) the president, one or more vice-presidents, the secretary, the treasurer and such other officers and members as are determined, elected in such manner and for such period as the by-laws of the society provide; and

(*c*) a non-voting member appointed by the Lieutenant Governor in Council from the public at large.

2. This Act comes into force on the day it receives Royal Assent. Commencement

3. This Act may be cited as *The Child Welfare Amendment Act, 1976*. Short title

An Act to amend
The Child Welfare Act

1st Reading

May 7th, 1976

2nd Reading

3rd Reading

MR. LELUK

(*Private Member's Bill*)

1976

BILL 81 **Government Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Environmental Protection Act, 1971

THE HON. G. A. KERR
Minister of the Environment

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

Subsection 7 of section 94 of the Act authorizes the making of regulations related to Part VIII of the Act. The amendments authorize the control of beverage containers for the purpose of encouraging the use of refillable or returnable containers and revise and incorporate the authority contained in the repealed clauses *a*, *c*, *d* and *e*.

BILL 81 **1976**

An Act to amend The Environmental Protection Act, 1971

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 7 of section 94 of *The Environmental Protection Act, 1971*, being chapter 86, as amended by the Statutes of Ontario, 1972, chapter 106, section 31, is further amended, s. 94 (7), amended

(*a*) by repealing clause *a* and substituting therefor the following clause:

(*a*) defining standard, refillable, returnable, non-refillable or non-returnable in respect of containers and returnable or non-returnable in respect of packaging or defining any beverage for the purposes of the regulations.

(*b*) by inserting after "material" in the second line of clause *b* "or any beverage";

(*c*) by repealing clauses *c*, *d* and *e* and substituting therefor the following clauses:

(*c*) requiring and regulating the stocking, display, sale or offering for sale of any beverage,

(i) in any class of container in relation to the stocking, display, sale or offering for sale of the beverage in any other class of container, or

(ii) only in a class of container that may be prescribed;

(*d*) prohibiting the sale or offering for sale in Ontario of any beverage in any class of container or in or by means of a vending machine;

(*da*) requiring and regulating the advertising or display of,

(i) the price of a beverage that is sold or offered for sale exclusive of the amount of any deposit payable on the purchase of the beverage,

(ii) the amount of any deposit payable on the purchase of a beverage,

(iii) the amount payable in return for any container,

(iv) copies of the regulations or portions of the regulations or a summary thereof in such form as may be prescribed by the regulations;

(*db*) requiring that a notice or mark appear on any container of any beverage or on any label for any container of a beverage to indicate that the container is standard, refillable, returnable, non-refillable or non-returnable or in respect of a payment to be made in return for the container and governing the size, form, content and position of the notice or mark;

(*dc*) requiring and regulating the payment of an amount in return for any packaging or container, prescribing the amount to be paid and requiring and regulating the acceptance and collection of any packaging or container by such classes of persons as may be designated by the regulations;

(*dd*) classifying packaging or containers or any materials or combinations of materials used as packaging or containers and classifying beverages;

(*de*) exempting any person or class of persons, any beverage or any packaging or container or any material or combination of materials used as packaging or a container from any provision of Part VIII or of the regulations;

(*e*) requiring, regulating and prohibiting the use, offering for sale or sale in Ontario of any packaging or container, or any material or combination of materials used as packaging or a container.

2. This Act comes into force on the day it receives Royal Assent. Commencement

3. This Act may be cited as *The Environmental Protection Amendment Act, 1976*. Short title

An Act to amend
The Environmental Protection Act, 1971

1st Reading

May 7th, 1976

2nd Reading

3rd Reading

THE HON. G. A. KERR
Minister of the Environment

(*Government Bill*)

1976

BILL 81 **Government Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Environmental Protection Act, 1971

THE HON. G. A. KERR
Minister of the Environment

(Reprinted as amended by the Committee of the Whole House)

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

Subsection 7 of section 94 of the Act authorizes the making of regulations related to Part VIII of the Act. The amendments authorize the control of beverage containers for the purpose of encouraging the use of refillable or returnable containers and revise and incorporate the authority contained in the repealed clauses *a*, *c*, *d* and *e*.

BILL 81 **1976**

An Act to amend The Environmental Protection Act, 1971

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1.—(1) Subsection 7 of section 94 of *The Environmental Protection Act, 1971*, being chapter 86, as amended by the Statutes of Ontario, 1972, chapter 106, section 31, is further amended, s. 94 (7), amended

(*a*) by repealing clause *a* and substituting therefor the following clause:

(*a*) defining standard, refillable, returnable, non-refillable or non-returnable in respect of containers and returnable or non-returnable in respect of packaging or defining any beverage for the purposes of the regulations.

(*b*) by inserting after "material" in the second line of clause *b* "or any beverage";

(*c*) by repealing clauses *c*, *d* and *e* and substituting therefor the following clauses:

(*c*) requiring and regulating the stocking, display, sale or offering for sale of any beverage,

(i) in any class of container in relation to the stocking, display, sale or offering for sale of the beverage in any other class of container, or

(ii) only in a class of container that may be prescribed;

(*d*) prohibiting the sale or offering for sale in Ontario of any beverage in any class of container or in or by means of a vending machine;

(*da*) requiring and regulating the advertising or display of,

(i) the price of a beverage that is sold or offered for sale exclusive of the amount of any deposit payable on the purchase of the beverage,

(ii) the amount of any deposit payable on the purchase of a beverage,

(iii) the amount payable in return for any container,

(iv) copies of the regulations or portions of the regulations or a summary thereof in such form as may be prescribed by the regulations;

(*db*) requiring that a notice or mark appear on any container of any beverage or on any label for any container of a beverage to indicate that the container is standard, refillable, returnable, non-refillable or non-returnable or in respect of a payment to be made in return for the container and governing the size, form, content and position of the notice or mark;

(*dc*) requiring and regulating the payment of an amount in return for any packaging or container, prescribing the amount to be paid and requiring and regulating the acceptance and collection of any packaging or container by such classes of persons as may be designated by the regulations;

(*dd*) classifying packaging or containers or any materials or combinations of materials used as packaging or containers and classifying beverages;

(*de*) exempting any person or class of persons, any beverage or any packaging or container or any material or combination of materials used as packaging or a container from any provision of Part VIII or of the regulations;

(*e*) requiring, regulating and prohibiting the use, offering for sale or sale in Ontario of any packaging or container, or any material or combination of materials used as packaging or a container;

(*ea*) providing a schedule for the regulation and the prohibition within five years of the use, offering for sale or sale in Ontario of non-refillable or non-returnable containers for any beverage.

(2) The regulations made under clause *ea* of subsection 7 of section 94 of *The Environmental Protection Act, 1971*, as enacted by clause *c* of subsection 1, shall be filed under *The Regulations Act* not later than the 1st day of July, 1977. Regulations under s. 94 (7) (*ea*) 1971, c. 86, R.S.O. 1970, c. 410

2. This Act comes into force on the day it receives Royal Assent. Commencement

3. This Act may be cited as *The Environmental Protection Amendment Act, 1976*. Short title

An Act to amend
The Environmental Protection Act, 1971

1st Reading

May 7th, 1976

2nd Reading

June 18th, 1976

3rd Reading

THE HON. G. A. KERR
Minister of the Environment

(Reprinted as amended by the Committee of the Whole House)

1976

BILL 81

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Environmental Protection Act, 1971

THE HON. G. A. KERR
Minister of the Environment

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 81 **1976**

An Act to amend The Environmental Protection Act, 1971

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1.—(1) Subsection 7 of section 94 of *The Environmental Protection Act, 1971*, being chapter 86, as amended by the Statutes of Ontario, 1972, chapter 106, section 31, is further amended, s. 94 (7), amended

(*a*) by repealing clause *a* and substituting therefor the following clause:

(*a*) defining standard, refillable, returnable, non-refillable or non-returnable in respect of containers and returnable or non-returnable in respect of packaging or defining any beverage for the purposes of the regulations.

(*b*) by inserting after "material" in the second line of clause *b* "or any beverage";

(*c*) by repealing clauses *c*, *d* and *e* and substituting therefor the following clauses:

(*c*) requiring and regulating the stocking, display, sale or offering for sale of any beverage,

(i) in any class of container in relation to the stocking, display, sale or offering for sale of the beverage in any other class of container, or

(ii) only in a class of container that may be prescribed;

(*d*) prohibiting the sale or offering for sale in Ontario of any beverage in any class of container or in or by means of a vending machine;

(*da*) requiring and regulating the advertising or display of,

(i) the price of a beverage that is sold or offered for sale exclusive of the amount of any deposit payable on the purchase of the beverage,

(ii) the amount of any deposit payable on the purchase of a beverage,

(iii) the amount payable in return for any container,

(iv) copies of the regulations or portions of the regulations or a summary thereof in such form as may be prescribed by the regulations;

(*db*) requiring that a notice or mark appear on any container of any beverage or on any label for any container of a beverage to indicate that the container is standard, refillable, returnable, non-refillable or non-returnable or in respect of a payment to be made in return for the container and governing the size, form, content and position of the notice or mark;

(*dc*) requiring and regulating the payment of an amount in return for any packaging or container, prescribing the amount to be paid and requiring and regulating the acceptance and collection of any packaging or container by such classes of persons as may be designated by the regulations;

(*dd*) classifying packaging or containers or any materials or combinations of materials used as packaging or containers and classifying beverages;

(*de*) exempting any person or class of persons, any beverage or any packaging or container or any material or combination of materials used as packaging or a container from any provision of Part VIII or of the regulations;

(*e*) requiring, regulating and prohibiting the use, offering for sale or sale in Ontario of any packaging or container, or any material or combination of materials used as packaging or a container;

(*ea*) providing a schedule for the regulation and the prohibition within five years of the use, offering for sale or sale in Ontario of non-refillable or non-returnable containers for any beverage.

(2) The regulations made under clause *ea* of subsection 7 of section 94 of *The Environmental Protection Act, 1971*, as enacted by clause *c* of subsection 1, shall be filed under *The Regulations Act* not later than the 1st day of July, 1977. Regulations under s. 94 (7) (*ea*) 1971, c. 86, R.S.O. 1970, c. 410

2. This Act comes into force on the day it receives Royal Assent. Commencement

3. This Act may be cited as *The Environmental Protection Amendment Act, 1976*. Short title

An Act to amend
The Environmental Protection Act, 1971

1st Reading

May 7th, 1976

2nd Reading

June 18th, 1976

3rd Reading

June 22nd, 1976

THE HON. G. A. KERR
Minister of the Environment

1976

BILL 82 **Government Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Public Transportation and Highway Improvement Act

THE HON. J. W. SNOW
Minister of Transportation and Communications

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Notes

Section 1. The amendment changes the persons who are authorized to sign a correcting description for purposes of registering the correcting description. The Act presently provides that the description be signed by an Ontario land surveyor and by one of the following:

1. the Minister
2. the Deputy Minister
3. the Director of Services
4. the Superintendent of Properties
5. the Superintendent of Surveys.

Section 2. The words underlined are being added to clause *a* of subsection 2 of section 31 of the Act.

(2) *Notwithstanding any general or special Act, regulation, by-law or other authority, no person shall, except under a permit therefor from the Minister,*

(*a*) *place, erect or alter any building, fence, gasoline pump or other structure or any road upon or within 150 feet of any limit of the King's Highway or upon or within 600 feet of the centre point of an intersection.*

Section 3. Section 33 of the Act provides that highways or proposed highways may be designated as controlled-access highways by the Lieutenant Governor in Council. The amendment provides that:

1. The order in council so designating shall be registered in the land registry office, and
2. any such order already registered shall be deemed as having been required to be registered.

BILL 82 **1976**

An Act to amend The Public Transportation and Highway Improvement Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 7 of *The Public Transportation and Highway Improvement Act*, being chapter 201 of the Revised Statutes of Ontario, 1970, is repealed and the following substituted therefor: s. 7, re-enacted

7. In case of any omission, misstatement or erroneous description in a plan or description registered under this Part, the Minister may cause to be registered in the proper land registry office a plan or description replacing or amending such original plan or description and signed by an Ontario land surveyor and one of, Correction of errors

(*a*) the Minister;

(*b*) the Deputy Minister;

(*c*) an Assistant Deputy Minister of the Ministry; or

(*d*) the Chief Surveyor of the Ministry,

and a plan registered under this section shall be marked to show the nature of the replacement or amendment and is of the same force and effect as, and is in substitution for, the original plan or description to the extent that such plan or description is replaced or amended thereby.

2. Clause *a* of subsection 2 of section 31 of the said Act is amended by inserting after "road" in the second line "upon or" and by inserting after "or" in the third line "upon or". s. 31 (2) (*a*), amended

3. Section 33 of the said Act, as re-enacted by the Statutes of Ontario, 1973, chapter 67, section 12, is amended by adding thereto the following subsection: s. 33, amended

Order in council to be registered

(3) The order in council designating a highway or proposed highway as a controlled-access highway shall be registered in the proper land registry office and any such order in council heretofore registered shall be deemed to have been required to be so registered.

s. 35 (2) (*a*), amended

4. Clause *a* of subsection 2 of section 35 of the said Act is amended by inserting after "road" in the second line "upon or" and by inserting after "or" in the third line "upon or".

s. 45 (1), amended

5.—(1) Subsection 1 of section 45 of the said Act is amended by striking out "Subject to subsection 2" in the first line.

s. 45 (2), repealed

(2) Subsection 2 of the said section 45 is repealed.

s. 88, amended

6. Section 88 of the said Act is amended by striking out "the Minister and" in the first line.

s. 100 (1), amended

7. Subsection 1 of section 100 of the said Act is amended by striking out "with the approval of the Minister" in the second line.

Commencement

8. This Act comes into force on the day it receives Royal Assent.

Short title

9. This Act may be cited as *The Public Transportation and Highway Improvement Amendment Act, 1976*.

SECTION 4. The words underlined are being added to clause *a* of subsection 2 of section 35 of the Act.

> (2) *Notwithstanding any general or special Act, regulation, by-law or other authority, no person shall, except under a permit therefor from the Minister,*
>
> > (a) *place, erect or alter any building, fence, gasoline pump or other structure or any road upon or within 150 feet of any limit of a controlled-access highway or upon or within 1,300 feet of the centre point of an intersection.*

SECTION 5.—Subsection 1. Subsection 1 of section 45 of the Act at present reads as follows:

> (1) *Subject to subsection 2, a county may, without the assent of the electors, pass by-laws to raise by debentures payable in not more than twenty years in the manner provided by The Municipal Act such sums as may be necessary to meet the actual expenditure for the construction of roads under this Part.*

The words underlined as being deleted.

Subsection 2. Subsection 2 of section 45 of the Act at present reads as follows:

> (2) *Where a county has paid over moneys raised on sinking fund account to the Treasurer of Ontario under section 315 of The Municipal Act, being chapter 249 of the Revised Statutes of Ontario, 1960, the amount to be raised for the construction of roads under subsection 1 may be a sum not exceeding the total amount so in the hands of the Treasurer of Ontario with 5 per cent of the equalized assessment of the county added thereto.*

This subsection is being repealed.

SECTION 6. Section 88 of the Act at present reads as follows:

> *88. Subject to the approval of the Minister and the Board, a municipality may by by-law designate any road under the jurisdiction of the council of the municipality as a controlled-access road.*

The words underlined are being deleted.

SECTION 7. Subsection 1 of section 100 of the Act provides that a municipality, with specified exceptions, and with the approval of the Minister may enter into an agreement with a road authority for the widening of a highway or road. The amendment removes the requirement of the Minister's approval to the agreement.

An Act to amend
The Public Transportation and
Highway Improvement Act

1st Reading

May 11th, 1976

2nd Reading

3rd Reading

THE HON. J. W. SNOW
Minister of Transportation
and Communications

(*Government Bill*)

1976

BILL 82

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Public Transportation and Highway Improvement Act

THE HON. J. W. SNOW
Minister of Transportation and Communications

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 82 **1976**

An Act to amend The Public Transportation and Highway Improvement Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 7 of *The Public Transportation and Highway Improvement Act*, being chapter 201 of the Revised Statutes of Ontario, 1970, is repealed and the following substituted therefor: s. 7, re-enacted

7. In case of any omission, misstatement or erroneous description in a plan or description registered under this Part, the Minister may cause to be registered in the proper land registry office a plan or description replacing or amending such original plan or description and signed by an Ontario land surveyor and one of, Correction of errors

(*a*) the Minister;

(*b*) the Deputy Minister;

(*c*) an Assistant Deputy Minister of the Ministry; or

(*d*) the Chief Surveyor of the Ministry,

and a plan registered under this section shall be marked to show the nature of the replacement or amendment and is of the same force and effect as, and is in substitution for, the original plan or description to the extent that such plan or description is replaced or amended thereby.

2. Clause *a* of subsection 2 of section 31 of the said Act is amended by inserting after "road" in the second line "upon or" and by inserting after "or" in the third line "upon or". s. 31 (2) (*a*), amended

3. Section 33 of the said Act, as re-enacted by the Statutes of Ontario, 1973, chapter 67, section 12, is amended by adding thereto the following subsection: s. 33, amended

Order in council to be registered

(3) The order in council designating a highway or proposed highway as a controlled-access highway shall be registered in the proper land registry office and any such order in council heretofore registered shall be deemed to have been required to be so registered.

s. 35 (2) (*a*), amended

4. Clause *a* of subsection 2 of section 35 of the said Act is amended by inserting after "road" in the second line "upon or" and by inserting after "or" in the third line "upon or".

s. 45 (1), amended

5.—(1) Subsection 1 of section 45 of the said Act is amended by striking out "Subject to subsection 2" in the first line.

s. 45 (2), repealed

(2) Subsection 2 of the said section 45 is repealed.

s. 88, amended

6. Section 88 of the said Act is amended by striking out "the Minister and" in the first line.

s. 100 (1), amended

7. Subsection 1 of section 100 of the said Act is amended by striking out "with the approval of the Minister" in the second line.

Commencement

8. This Act comes into force on the day it receives Royal Assent.

Short title

9. This Act may be cited as *The Public Transportation and Highway Improvement Amendment Act, 1976*.



An Act to amend
The Public Transportation and
Highway Improvement Act

1st Reading

May 11th, 1976

2nd Reading

May 25th, 1976

3rd Reading

May 25th, 1976

THE HON. J. W. SNOW
Minister of Transportation
and Communications

1976

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Family Benefits Act

MR. MARTEL

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

The purpose of the amendment is to remove any reference to the sex of the parent, thereby enabling either the mother or father of the child to be eligible for benefits.

BILL 83 **1976**

An Act to amend The Family Benefits Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

s. 7 (1) (*d*), re-enacted

1.—(1) Clause *d* of subsection 1 of section 7 of *The Family Benefits Act*, being chapter 157 of the Revised Statutes of Ontario, 1970, is repealed and the following substituted therefor:

(*d*) who is a single parent with a dependent child and,

(i) who is a widow or widower, or

(ii) whose spouse has deserted the family for three months or more, or

(iii) whose spouse is a patient in a sanatorium, hospital or similar institution, or

(iv) whose spouse is imprisoned in a penal institution and at the date of the application has a term of imprisonment remaining to be served of six months or more, or

(v) who is divorced from the parent of the dependent child and has not remarried, or

(vi) a mother, whose dependent child was born out of wedlock, where the mother is sixteen years or more of age and her dependent child is three months or more of age; or

. . . . .

s. 7 (1) (*e*), repealed

(2) Clause *e* of subsection 1 of the said section 7, as re-enacted by the Statutes of Ontario, 1971, chapter 92, section 4, is repealed.

Commencement

2. This Act comes into force on the day it receives Royal Assent.

Short title

3. This Act may be cited as *The Family Benefits Amendment Act, 1976*.

An Act to amend
The Family Benefits Act

1st Reading

May 11th, 1976

2nd Reading

3rd Reading

MR. MARTEL

(*Private Member's Bill*)

1976

BILL 84 **Government Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Judicial Review Procedure Act, 1971

THE HON. R. MCMURTRY
Attorney General

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The provision amended now provides that where an application for judicial review is dealt with in an emergency by a single judge of the High Court instead of by the Divisional Court, the appeal is to the Divisional Court.

The amendment makes the appeal to the Court of Appeal, by leave, in the same manner as an appeal from the Divisional Court.

BILL 84 **1976**

An Act to amend The Judicial Review Procedure Act, 1971

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 4 of section 6 of *The Judicial Review Procedure Act, 1971*, being chapter 48, is repealed and the following substituted therefor: s. 6 (4), re-enacted

(4) An appeal lies to the Court of Appeal, with leave of the Court of Appeal, from a final order of the High Court disposing of an application for judicial review pursuant to leave granted under subsection 2. Appeal to Court of Appeal

2. This Act applies in respect of applications made after this Act comes into force. Application

3. This Act comes into force on the day it receives Royal Assent. Commencement

4. This Act may be cited as *The Judicial Review Procedure Amendment Act, 1976*. Short title

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An Act to amend
The Judicial Review Procedure Act, 1971

1st Reading

May 11th, 1976

2nd Reading

June 8th, 1976

3rd Reading

June 8th, 1976

THE HON. R. MCMURTRY
Attorney General

1976

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to reform the Law respecting Succession to the Estates of Deceased Persons

THE HON. R. MCMURTRY
Attorney General

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

The Bill provides for a comprehensive reform of the law of testate and intestate succession as a part of the general revision of family law begun with *The Family Law Reform Act, 1975*. The Bill implements the reports of the Ontario Law Reform Commission relating to wills and international wills and adopts principles relating to estates recommended in its reports on children, support obligations and family property.

Principal changes include the following:

1. The equalization of the treatment of children born within or outside marriage in estate matters.

2. The adoption of *The Uniform Wills Act*, including recognition of the holograph will, and the adoption of the Uniform Law on the Form of an International Will.

3. The adoption of the basic principle of *The Uniform Survivorship Act*.

4. Increasing the preferential share of a spouse on intestacy from $50,000 to $75,000 and the provision of a formula for determining a preferential share in cases of partial intestacy.

5. Reversing the option of a widow so as to automatically entitle her to the preferential share on intestacy in the absence of electing to take her dower. Matrimonial misconduct will no longer operate as an automatic bar to recognition of a widow's property rights.

6. Equalizing the rights of spouses on intestacy to a distributive share in any property remaining after the preferential share and, where there are no children, providing for the surviving spouse to take the remainder to the exclusion of next of kin.

7. Enabling dependants of a deceased person to make a claim for support against the estate not only in cases where the deceased made insufficient provision for them by will but also in cases where the deceased died without a will.

8. Enlarging the classes of persons who may claim support from an estate as dependants generally, so as to include collaterals, and so as to recognize the claims of common law spouses and former spouses in certain cases.

9. Equalizing the effect of conduct on the claims of widows and widowers for support from an estate.

10. Redefining the estate of the deceased against which a claim for support may be made so as to include revocable *inter vivos* trusts and gifts made in contemplation of death and excluding property which is the subject of a contract to make a will to the extent that valuable consideration has been given therefor.

11. Redefining the class of persons who have rights under *The Compensation for Victims of Crime Act, 1971* and *The Fatal Accidents Act* so as to have a consistent approach with respect to survivors' benefits for dependants. This includes recognition of the claims of common law spouses and children born out of wedlock under *The Fatal Accidents Act*.

BILL 85 **1976**

An Act to reform the Law respecting Succession to the Estates of Deceased Persons

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1.—(1) In this Act, Interpretation

(*a*) "child" means a natural child born within or outside marriage, subject to section 83 of *The Child Welfare Act* (which relates to the effect of adoption), and includes a child conceived before and born alive after the death of the parent; R.S.O. 1970, c. 64

(*b*) "grandchild" means the child of a child;

(*c*) "issue" means any lineal descendant of a person, whether born within or outside marriage, subject to section 83 of *The Child Welfare Act* (which relates to the effect of adoption), and includes issue conceived before and born alive after the death of the person;

(*d*) "parent" means the father or mother of a child;

(*e*) "personal representative" means an executor, an administrator or an administrator with will annexed;

(*f*) "property" means real or personal property;

(*g*) "will" includes,

(i) a testament,

(ii) a codicil,

(iii) an appointment by will or by writing in the nature of a will in exercise of a power, and

(iv) any other testamentary disposition. R.S.O. 1970, c. 499, s. 1, *amended*.

Relationship of persons born outside marriage

(2) In this Act, and in any will unless a contrary intention is shown in the will, a reference to a person in terms of a relationship to another person determined by blood or marriage shall be deemed to include a person who comes within the description notwithstanding that he or any other person through whom the relationship is traced was born outside marriage.

Application of subs. 2

(3) Subsection 2 applies in respect of estates where the deceased dies on or after the 1st day of January, 1977, whether or not the deceased's will, if any, was made before that date. *New.*

PART I

TESTATE SUCCESSION

GENERAL

Power to dispose of property by will

2. A person may by will devise, bequeath or dispose of all property (whether acquired before or after making his will), to which at the time of his death he is entitled either at law or in equity, including,

(*a*) estates *pur autre vie*, whether there is or is not a special occupant and whether they are corporeal or incorporeal hereditaments;

(*b*) contingent, executory or other future interests in property, whether the testator is or is not ascertained as the person or one of the persons in whom those interests may respectively become vested, and whether he is entitled to them under the instrument by which they were respectively created or under a disposition of them by deed or will; and

(*c*) rights of entry, whether for conditions broken or otherwise. R.S.O. 1970, c. 499, s. 8, *amended*.

Will to be in writing

3. A will is valid only when it is in writing. R.S.O. 1970, c. 499, s. 11 (1), *part*.

Execution

4.—(1) Subject to sections 5 and 6, a will is not valid unless,

(*a*) at its end it is signed by the testator or signed in his name by some other person in his presence and by his direction;

(*b*) the testator makes or acknowledges the signature in the presence of two or more attesting witnesses present at the same time; and

(*c*) two or more of the attesting witnesses subscribe the will in the presence of the testator.

Idem

(2) Where witnesses are required by this section, no form of attestation is necessary. R.S.O. 1970, c. 499, s. 11 (1), *part, amended.*

Will of member of forces on active service

5.—(1) A person who is,

R.S.C. 1970, c. N-4

(*a*) a member of the Canadian Forces placed on active service pursuant to the *National Defence Act*;

(*b*) a member of any other naval, land or air force while on active service; or

(*c*) a mariner or seaman when at sea or in the course of a voyage,

may make a will by a writing signed by him or by some other person in his presence and by his direction without any further formality or any requirement of the presence of or attestation or signature by a witness. R.S.O. 1970, c. 499, s. 13 (1, 3).

Certificate of active service

(2) For the purpose of this section, a certificate purporting to be signed by or on behalf of an officer having custody of the records certifying that he has custody of the records of the force in which a person was serving at the time the will was made, setting out that the person was on active service at that time, is *prima facie* evidence of that fact.

Where certificate not available

(3) For the purposes of this section, if a certificate under subsection 2 is not available, a member of a naval, land or air force is deemed to be on active service after he has taken steps under the orders of a superior officer preparatory to serving with or being attached to or seconded to a component of such a force that has been placed on active service. *New.*

Holograph wills

6. A testator may make a valid will wholly by his own handwriting and signature, without formality, and without the presence, attestation or signature of a witness. *New.*

Position of signature

7.—(1) In so far as the position of the signature is concerned, a will, whether holograph or not, is valid if the

signature of the testator made either by him or the person signing for him is placed at, after, following, under or beside or opposite to the end of the will so that it is apparent on the face of the will that the testator intended to give effect by the signature to the writing signed as his will.

Idem

(2) A will is not rendered invalid by the circumstance that,

(*a*) the signature does not follow or is not immediately after the end of the will;

(*b*) a blank space intervenes between the concluding words of the will and the signature;

(*c*) the signature,

(i) is placed among the words of a testimonium clause or of a clause of attestation,

(ii) follows or is after or under a clause of attestation either with or without a blank space intervening, or

(iii) follows or is after, under or beside the name of a subscribing witness;

(*d*) the signature is on a side, page or other portion of the paper or papers containing the will on which no clause, paragraph or disposing part of the will is written above the signature; or

(*e*) there appears to be sufficient space on or at the bottom of the preceding side, page or other portion of the same paper on which the will is written to contain the signature.

Idem

(3) The generality of subsection 1 is not restricted by the enumeration of circumstances set out in subsection 2, but a signature in conformity with section 4, 5 or 6 or this section does not give effect to,

(*a*) a disposition or direction that is underneath the signature or that follows the signature; or

(*b*) a disposition or direction inserted after the signature was made. R.S.O. 1970, c. 499, s. 11 (2), *amended*.

8.—(1) A will made by a person who is under the age of eighteen years is not valid unless at the time of making the will the person, Wills by minors

(*a*) is or has been married;

(*b*) is contemplating marriage and the will states that it is made in contemplation of marriage to a named person except that such a will shall not be deemed to be valid unless and until the marriage to the named person takes place;

(*c*) is a member of a component of the Canadian Forces,

(i) that is referred to in the *National Defence Act* as a regular force, or R.S.C. 1970, c. N-4

(ii) while placed on active service under the *National Defence Act*; or

(*d*) is a mariner or seaman.

(2) A certificate purporting to be signed by or on behalf of an officer having custody of the records certifying that he has custody of the records of the force in which a person was serving at the time the will was made, setting out that the person was at that time a member of a regular force or was on active service within clause *c* of subsection 1, is *prima facie* evidence of that fact. Certificate of active service

(3) A person who has made a will under subsection 1 may, while under the age of eighteen years, revoke the will. R.S.O. 1970, c. 499, ss. 10, 13 (2), *amended*. Revocation

9. No appointment made by will in exercise of any power is valid unless the appointment is executed in the manner hereinbefore required, and every will executed in the manner hereinbefore required is, so far as respects the execution and attestation thereof, a valid execution of a power of appointment by will, notwithstanding it has been expressly required that a will made in exercise of such power shall be executed with some additional or other form of execution or solemnity. R.S.O. 1970, c. 499, s. 12. Exercise of appointments by will

10. A will made in accordance with this Part is valid without other publication. R.S.O. 1970, c. 499, s. 14, *amended*. Publication unnecessary

Effect of incompetency of witness

11. Where a person who attested a will was at the time of its execution or afterward has become incompetent as a witness to prove its execution, the will is not on that account invalid. R.S.O. 1970, c. 499, s. 15, *amended*.

Bequests to witness void

12.—(1) Where a will is attested by a person to whom or to whose then spouse a beneficial devise, bequest or other disposition or appointment of or affecting property, except charges and directions for payment of debts, is thereby given or made, the devise, bequest or other disposition or appointment is void so far only as it concerns,

(*a*) the person so attesting;

(*b*) the spouse; or

(*c*) a person claiming under either of them,

but the person so attesting is a competent witness to prove the execution of the will or its validity or invalidity. R.S.O. 1970, c. 499, s. 16, *part, amended*.

Where will signed for testator by another person

(2) Where a will is signed for the testator by another person in accordance with section 4, to whom or to whose then spouse a beneficial devise, bequest or other disposition or appointment of or affecting property, except charges and directions for payment of debts, is thereby given or made, the devise, bequest, or other disposition is void so far only as it concerns,

(*a*) the person so signing;

(*b*) the spouse; or

(*c*) a person claiming under either of them,

but the will is not invalid for that reason.

Where no undue influence

(3) Notwithstanding anything in this section, where a court is satisfied that neither the person so attesting nor the spouse exercised any improper or undue influence upon the testator, the devise, bequest or other disposition or appointment is not void. *New*.

Exception

(4) Where a will is attested by at least two persons who are not within subsection 1 or where no attestation is necessary, the devise, bequest or other disposition or appointment is not void under that subsection. R.S.O. 1970, c. 499, s. 16, *part, amended*.

Creditor as witness

13. Where property is charged by a will with a debt and a creditor or the spouse of a creditor whose debt is so charged attests a will, the person so attesting, notwithstanding the charge, is a competent witness to prove the execution of the will or its validity or invalidity. R.S.O. 1970, c. 499, s. 17, *amended*.

Executor as witness

14. A person is not incompetent as a witness to prove the execution of a will or its validity or invalidity solely because he is an executor. R.S.O. 1970, c. 499, s. 18, *amended*.

Revocation

15. A will or part of a will is revoked only by,

(*a*) marriage, subject to section 16;

(*b*) another will made in accordance with the provisions of this Part;

(*c*) a writing,

(i) declaring an intention to revoke, and

(ii) made in accordance with the provisions of this Part governing making of a will; or

(*d*) burning, tearing or otherwise destroying it by the testator or by some person in his presence and by his direction with the intention of revoking it. R.S.O. 1970, c. 499, s. 22, *amended*.

Revocation by marriage

16. A will is revoked by the marriage of the testator except where,

(*a*) there is a declaration in the will that it is made in contemplation of the marriage;

(*b*) the spouse of the testator elects to take under the will, by an instrument in writing signed by the spouse and filed within one year after the testator's death in the office of the Surrogate Clerk for Ontario; or

(*c*) the will is made in exercise of a power of appointment of property which would not in default of the appointment pass to the heir, executor or administrator of the testator or to the persons entitled to the estate of the testator if he died intestate. R.S.O. 1970, c. 499, s. 20, *amended*.

Change in circumstances

17. A will is not revoked by presumption of an intention to revoke it on the ground of a change in circumstances. R.S.O. 1970, c. 499, s. 21, *amended*.

Alterations in will

18.—(1) Subject to subsection 2, unless an alteration that is made in a will after the will has been made is made in accordance with the provisions of this Part governing making of a will, the alteration has no effect except to invalidate words or the effect of the will that it renders no longer apparent.

How validly made

(2) An alteration that is made in a will after the will has been made is validly made when the signature of the testator and subscription of witnesses to the signature of the testator to the alteration, or, in the case of a will that was made under section 5 or 6, the signature of the testator, are or is made,

(*a*) in the margin or in some other part of the will opposite or near to the alteration; or

(*b*) at the end of or opposite to a memorandum referring to the alteration and written in some part of the will. R.S.O. 1970, c. 499, s. 23, *amended*.

Revival

19.—(1) A will or part of a will that has been in any manner revoked is revived only,

(*a*) by a will made in accordance with the provisions of this Part; or

(*b*) by a codicil that has been made in accordance with the provisions of this Part,

that shows an intention to give effect to the will or part that was revoked, or,

(*c*) by re-execution thereof with the required formalities, if any.

As to part formerly revoked

(2) Except when a contrary intention is shown, when a will which has been partly revoked and afterward wholly revoked is revived, the revival does not extend to the part that was revoked before the revocation of the whole. R.S.O. 1970, c. 499, s. 24, *amended*.

Operation of will as to interest left in testator

20.—(1) A conveyance of or other act relating to property comprised in a devise, bequest or other disposition, made or done after the making of a will, does not prevent operation of the will with respect to any estate or interest in the property that the testator had power to dispose of by

will at the time of his death. R.S.O. 1970, c. 499, s. 25, *amended*.

Right or chose in action

(2) Except when a contrary intention appears by the will, where a testator at the time of his death has a right, chose in action or equitable estate or interest that was created by a contract respecting a conveyance of, or other act relating to, property that was comprised in a devise or bequest, made or done after the making of a will, the devisee or donee of that property takes the right, chose in action or equitable estate or interest of the testator. *New*.

When revived will deemed made

21. When a will has been revived in the manner described in section 19, the will shall be deemed to have been made at the time at which it was so revived. R.S.O. 1970, c. 499, s. 19 (10), *amended*.

Will to speak from death

22. Except when a contrary intention appears by the will, a will speaks and takes effect as if it had been made immediately before the death of the testator with respect to,

(*a*) the property of the testator; and

(*b*) the right, chose in action or equitable estate or interest under subsection 2 of section 20. R.S.O. 1970, c. 499, s. 26 (1), *amended*.

Disposition of property in void devise

23. Except when a contrary intention appears by the will, property or an interest therein that is comprised or intended to be comprised in a devise or bequest that fails or becomes void by reason of,

(*a*) the death of the devisee or donee in the lifetime of the testator; or

(*b*) the devise or bequest being contrary to law or otherwise incapable of taking effect,

is included in the residuary devise or bequest, if any, contained in the will. R.S.O. 1970, c. 499, s. 27, *amended*.

Leasehold estates under devise of land

24. Except when a contrary intention appears by the will, where a testator devises,

(*a*) his land;

(*b*) his land in a place mentioned in the will, or in the occupation of a person mentioned in the will;

(*c*) land described in a general manner; or

(*d*) land described in a manner that would include a leasehold estate if the testator had no freehold estate which could be described in the manner used,

the devise includes the leasehold estates of the testator or any of them to which the description extends, as well as freehold estates. R.S.O. 1970, c. 499, s. 28, *amended*.

Disposition of real property over which testator has power of appointment under devise

25.—(1) Except when a contrary intention appears by the will, a general devise of,

(*a*) the real property of the testator;

(*b*) the real property of the testator,

(i) in a place mentioned in the will, or

(ii) in the occupation of a person mentioned in the will; or

(*c*) real property described in a general manner,

includes any real property, or any real property to which the description extends, which he has power to appoint in any manner he thinks proper and operates as an execution of the power.

Disposition of personal property over which testator has power of appointment under bequest

(2) Except when a contrary intention appears by the will, a bequest of,

(*a*) the personal property of the testator; or

(*b*) personal property described in a general manner,

includes any personal property, or any personal property to which the description extends, which he has power to appoint in any manner he thinks proper and operates as an execution of the power. R.S.O. 1970, c. 499, s. 29, *amended*.

Real property passing under devise without words of limitation

26. Except when a contrary intention appears by the will, where real property is devised to a person without words of limitation, the devise passes the fee simple or the whole of any other estate that the testator had power to dispose of by will in the real property. R.S.O. 1970, c. 499, s. 30, *amended*.

Meaning of "heir" in devise of property

27. Except when a contrary intention appears by the will, where property is devised or bequeathed to the "heir" or "heirs" of the testator or of another person, the words "heir" or "heirs" mean the person to whom the beneficial

interest in the property would have gone under the law of Ontario if the testator or the other person died intestate. R.S.O. 1970, c. 499, s. 31, *amended*.

Import of words "die without issue", etc.

28.—(1) Subject to subsection 2, in a devise or bequest of property,

(*a*) the words,

(i) "die without issue",

(ii) "die without leaving issue", or

(iii) "have no issue"; or

(*b*) other words importing either a want or failure of issue of a person in his lifetime or at the time of his death or an indefinite failure of his issue,

mean a want or failure of issue in the lifetime or at the time of death of that person, and do not mean an indefinite failure of his issue unless a contrary intention appears by the will.

Cases to which Part not to extend

(2) This Part does not extend to cases where the words defined in subsection 1 import,

(*a*) if no issue described in a preceding gift be born; or

(*b*) if there be no issue who live to attain the age or otherwise answer the description required for obtaining a vested estate by a preceding gift to that issue. R.S.O. 1970, c. 499, s. 32, *amended*.

Devise to trustee or executor

29. Except when there is devised to a trustee expressly or by implication an estate for a definite term of years absolute or determinable or an estate of freehold, a devise of real property to a trustee or executor passes the fee simple or the whole of any other estate or interest that the testator had power to dispose of by will in the real property. R.S.O. 1970, c. 499, s. 33, *amended*.

When devise to trustee to pass whole estate beyond what is requisite for trust

30. Where real property is devised to a trustee without express limitation of the estate to be taken by him and the beneficial interest in the real property or in the surplus rents and profits,

(*a*) is not given to a person for life; or

(*b*) is given to a person for life but the purpose of the trust may continue beyond his life,

the devise vests in the trustee the fee simple or the whole of any other legal estate that the testator had power to dispose of by will in the real property and not an estate determinable when the purposes of the trust are satisfied. R.S.O. 1970, c. 499, s. 34, *amended*.

Substitutional gifts

31. Except when a contrary intention appears by the will, where a devise or bequest is made to a child, grandchild, brother or sister of the testator who dies before the testator and leaves a spouse or issue surviving the testator, the devise or bequest does not lapse but takes effect as if it had been made directly to the persons among whom and in the shares in which the estate of that person would have been divisible,

(*a*) if that person had died immediately after the death of the testator;

(*b*) if that person had died intestate;

(*c*) if that person had died without debts; and

(*d*) if section 46 had not been passed. R.S.O. 1970, c. 499, s. 36, *amended*.

Primary liability of real property to satisfy mortgage

32.—(1) Where a person dies possessed of, or entitled to, or under a general power of appointment by his will disposes of, an interest in freehold or leasehold property which, at the time of his death, is subject to a mortgage, and the deceased has not, by will, deed or other document, signified a contrary or other intention,

(*a*) the interest is, as between the different persons claiming through the deceased, primarily liable for the payment or satisfaction of the mortgage debt; and

(*b*) every part of the interest, according to its value, bears a proportionate part of the mortgage debt on the whole interest.

Consequence of general direction to pay debts out of personalty or residue

(2) A testator does not signify a contrary or other intention within subsection 1 by,

(*a*) a general direction for the payment of debts or of all the debts of the testator out of his personal estate, his residuary real or personal estate or his residuary real estate; or

(*b*) a charge of debts upon that estate,

unless he further signifies that intention by words expressly or by necessary implication referring to all or some part of the mortgage debt.

Saving of mortgagee's rights

(3) Nothing in this section affects a right of a person entitled to the mortgage debt to obtain payment or satisfaction either out of the other assets of the deceased or otherwise.

Interpretation

(4) In this section, "mortgage" includes an equitable mortgage, and any charge whatsoever, whether equitable, statutory or of other nature, including a lien or claim upon freehold or leasehold property for unpaid purchase money, and "mortgage debt" has a meaning similarly extended. R.S.O. 1970, c. 499, s. 37, *amended*.

Undisposed of residue

33.—(1) Where a person dies on or after the 1st day of January, 1977, having by will appointed a person executor, the executor is a trustee of any residue not expressly disposed of, for the person or persons, if any, who would be entitled to that residue in the event of intestacy in respect of it, unless the person so appointed executor was intended by the will to take the residue beneficially.

Where no person entitled to residue

(2) Nothing in this section prejudices any right in respect of any residue not expressly disposed of to which, if this Part had not been passed, an executor would have been entitled where there is not any person who would be entitled to the testator's estate under Part II in case of an intestacy. R.S.O. 1970, c. 470, s. 55, *amended*.

CONFLICT OF LAWS

Interpretation

34. In sections 36 to 41,

(*a*) an interest in land includes a leasehold estate as well as a freehold estate in land, and any other estate or interest in land whether the estate or interest is real property or is personal property;

(*b*) an interest in movables includes an interest in a tangible or intangible thing other than land, and includes personal property other than an estate or interest in land; R.S.O. 1970, c. 499, s. 19 (1).

(*c*) "internal law" in relation to any place excludes the choice of law rules of that place. *New*.

Wills made in or out of Ontario

35. Sections 36 to 41 apply to a will made either in or out of Ontario. R.S.O. 1970, c. 499, s. 19 (4), *amended*.

Formalities, re interests in land

36.—(1) The manner and formalities of making a will, and its intrinsic validity and effect, so far as it relates to an interest in land, are governed by the internal law of the place where the land is situated.

re interests in movables

(2) Subject to other provisions of this Part, the manner and formalities of making a will, and its intrinsic validity and effect, so far as it relates to an interest in movables, are governed by the internal law of the place where the testator was domiciled at the time of his death. R.S.O. 1970, c. 499, s. 19 (2, 3), *amended*.

Formalities re interests in movables or in land

37.—(1) As regards the manner and formalities of making a will of an interest in movables or in land, a will is valid and admissible to probate if at the time of its making it complied with the internal law of the place where,

(*a*) the will was made;

(*b*) the testator was then domiciled;

(*c*) the testator then had his habitual residence; or

(*d*) the testator then was a national if there was in that place one body of law governing the wills of nationals. R.S.O. 1970, c. 499, s. 19 (4), *amended*.

Idem

(2) Without prejudice to subsection 1, as regards the manner and formalities of making a will of an interest in movables or in land, the following are properly made,

(*a*) a will made on board a vessel or aircraft of any description, if the making of the will conformed to the internal law in force in the place with which, having regard to its registration (if any) and other relevant circumstances, the vessel or aircraft may be taken to have been most closely connected;

(*b*) a will so far as it revokes a will which under sections 34 to 42 would be treated as properly made or revokes a provision which under those sections would be treated as comprised in a properly made will, if the making of the later will conformed to any law by reference to which the revoked will or provision would be treated as properly made; and

(*c*) a will so far as it exercises a power of appointment, if the making of the will conforms to the law governing the essential validity of the power. *New*.

38. A change of domicile of the testator occurring after a will is made does not render it invalid as regards the manner and formalities of its making or alter its construction. R.S.O. 1970, c. 499, s. 19 (5). Change of domicile

39. Nothing in sections 34 to 42 precludes resort to the law of the place where the testator was domiciled at the time of making a will in aid of its construction as regards an interest in land or an interest in movables. R.S.O. 1970, c. 499, s. 19 (6). Construction of will

40. Where the value of a thing that is movable consists mainly or entirely in its use in connection with a particular parcel of land by the owner or occupier of the land, succession to an interest in the thing under a will is governed by the law that governs succession to the interest in the land. R.S.O. 1970, c. 499, s. 19 (7), *amended*. Movables used in relation to land

41.—(1) Where, whether in pursuance of sections 34 to 42 or not, a law in force outside Ontario is to be applied in relation to a will, any requirement of that law that, Where law outside Ontario to be applied to will

(*a*) special formalities are to be observed by testators answering a particular description; or

(*b*) witnesses to the making of a will are to possess certain qualifications,

shall be treated, notwithstanding any rule of that law to the contrary, as a formal requirement only.

(2) In determining for the purposes of sections 34 to 40 whether or not the making of a will conforms to a particular law, regard shall be had to the formal requirements of that law at the time the will was made, but this shall not prevent account being taken of an alteration of law affecting wills made at that time if the alteration enables the will to be treated as properly made. *New*. Formal requirements of law

INTERNATIONAL WILLS

42.—(1) In this section, Effective date

(*a*) "convention" means the convention providing a uniform law on the form of international will, a copy of which is set out in the Schedule to this section;

(*b*) "effective date" means the latest of,

(i) the day on which, in accordance with Article XI of the convention, the convention enters into force,

(ii) where, at the time of accession to the convention, the Government of Canada has declared that the convention extends to the province, the day that is six months after the date on which the Government of Canada deposits with the Depositary Government under the convention the instrument of accession, or

(iii) the day that is six months after the date on which the Government of Canada submits to the Depositary Government under the convention a declaration that the convention extends to Ontario.

Convention on form of international will

(2) On, from and after the effective date the convention is in force in Ontario and applies to wills as law of Ontario and the rules regarding an international will set out in the Annex to the convention are law in Ontario.

Persons authorized under convention

(3) All members of the Law Society of Upper Canada are designated as persons authorized to act in connection with international wills.

Validity of wills under other laws

(4) Nothing in this section detracts from or affects the validity of a will that is valid under the laws in force in Ontario other than this section.

Accession to convention

(5) The Attorney General shall request the Government of Canada to submit a declaration to the Depositary Government under the convention, declaring that the convention extends to Ontario.

Notice of effective date

(6) As soon as the effective date is determined, the Attorney General shall publish in *The Ontario Gazette* a notice indicating the date that is the effective date for the purposes of this section.

SCHEDULE

Convention Providing a Uniform Law on The Form of an International Will

The States signatory to the present Convention,

DESIRING to provide to a greater extent for the respecting of last wills by establishing an additional form of will hereinafter to be called an "international will" which, if employed, would dispense to some extent with the search for the applicable law;

HAVE RESOLVED to conclude a Convention for this purpose and have agreed upon the following provisions:

Article I

1. Each Contracting Party undertakes that not later than six months after the date of entry into force of this Convention in respect of that Party it shall introduce into its law the rules regarding an international will set out in the Annex to this Convention.

2. Each Contracting Party may introduce the provisions of the Annex into its law either by reproducing the actual text, or by translating it into its official language or languages.

3. Each Contracting Party may intoduce into its law such further provisions as are necessary to give the provisions of the Annex full effect in its territory.

4. Each Contracting Party shall submit to the Depositary Government the text of the rules introduced into its national law in order to implement the provisions of this Convention.

Article II

1. Each Contracting Party shall implement the provisions of the Annex in its law, within the period provided for in the preceding article, by designating the persons who, in its territory, shall be authorized to act in connection with international wills. It may also designate as a person authorized to act with regard to its nationals its diplomatic or consular agents abroad in so far as the local law does not prohibit it.

2. The Party shall notify such designation, as well as any modifications thereof, to the Depositary Government.

Article III

The capacity of the authorized person to act in connection with an international will, if conferred in accordance with the law of a Contracting Party, shall be recognized in the territory of the other Contracting Parties.

Article IV

The effectiveness of the certificate provided for in Article 10 of the Annex shall be recognized in the territories of all Contracting Parties.

Article V

1. The conditions requisite to acting as a witness of an international will shall be governed by the law under which the authorized person was designated. The same rule shall apply as regards an interpreter who is called upon to act.

2. Nonetheless no one shall be disqualified to act as a witness of an international will solely because he is an alien.

Article VI

1. The signature of the testator, of the authorized person, and of the witnesses to an international will, whether on the will or on the certificate, shall be exempt from any legalization or like formality.

2. Nonetheless, the competent authorities of any Contracting Party may, if necessary, satisfy themselves as to the authenticity of the signature of the authorized person.

Article VII

The safekeeping of an international will shall be governed by the law under which the authorized person was designated.

Article VIII

No reservation shall be admitted to this Convention or to its Annex.

Article IX

1. The present Convention shall be open for signature at Washington from October 26, 1973, until December 31, 1974.

2. The Convention shall be subject to ratification.

3. Instruments of ratification shall be deposited with the Government of the United States of America, which shall be the Depositary Government.

Article X

1. The Convention shall be open indefinitely for accession.

2. Instruments of accession shall be deposited with the Depositary Government.

Article XI

1. The present Convention shall enter into force six months after the date of deposit of the fifth instrument of ratification or accession with the Depositary Government.

2. In the case of each State which ratifies this Convention or accedes to it after the fifth instrument of ratification or accession has been deposited, this Convention shall enter into force six months after the deposit of its own instrument of ratification or accession.

Article XII

1. Any Contracting Party may denounce this Convention by written notification to the Depositary Government.

2. Such denunciation shall take effect twelve months from the date on which the Depositary Government has received the notification, but such denunciation shall not affect the validity of any will made during the period that the Convention was in effect for the denouncing State.

Article XIII

1. Any State may, when it deposits its instrument of ratification or accession or at any time thereafter, declare, by a notice addressed to the Depositary Government, that this Convention shall apply to all or part of the territories for the international relations of which it is responsible.

2. Such declaration shall have effect six months after the date on which the Depositary Government shall have received notice thereof or, if at the end of such period the Convention has not yet come into force, from the date of its entry into force.

3. Each Contracting Party which has made a declaration in accordance with paragraph 1 of this Article may, in accordance with Article XII,

denounce this Convention in relation to all or part of the territories concerned.

Article XIV

1. If a State has two or more territorial units in which different systems of law apply in relation to matters respecting the form of wills, it may at the time of signature, ratification, or accession, declare that this Convention shall extend to all its territorial units or only to one or more of them, and may modify its declaration by submitting another declaration at any time.

2. These declarations shall be notified to the Depositary Government and shall state expressly the territorial units to which the Convention applies.

Article XV

If a Contracting Party has two or more territorial units in which different systems of law apply in relation to matters respecting the form of wills, any reference to the internal law of the place where the will is made or to the law under which the authorized person has been appointed to act in connection with international wills shall be construed in accordance with the constitutional system of the Party concerned.

Article XVI

1. The original of the present Convention, in the English, French, Russian and Spanish languages, each version being equally authentic, shall be deposited with the Government of the United States of America, which shall transmit certified copies thereof to each of the signatory and acceding States and to the International Institute for the Unification of Private Law.

2. The Depositary Government shall give notice to the signatory and acceding States, and to the International Institute for the Unification of Private Law, of:

(*a*) any signature;

(*b*) the deposit of any instrument of ratification or accession;

(*c*) any date on which this Convention enters into force in accordance with Article XI;

(*d*) any communication received in accordance with Article I, paragraph 4;

(*e*) any notice received in accordance with Article II, paragraph 2;

(*f*) any declaration received in accordance with Article XIII, paragraph 2, and the date on which such declaration takes effect;

(*g*) any denunciation received in accordance with Article XII, paragraph 1, or Article XIII, paragraph 3, and the date on which the denunciation takes effect;

(*h*) any declaration received in accordance with Article XIV, paragraph 2, and the date on which the declaration takes effect.

IN WITNESS WHEREOF, the undersigned Plenipotentiaries, being duly authorized to that effect, have signed the present Convention.

DONE at Washington this twenty-sixth day of October, one thousand nine hundred and seventy-three.

ANNEX

Uniform Law on the Form of an International Will

Article 1

1. A will shall be valid as regards form, irrespective particularly of the place where it is made, of the location of the assets and of the nationality, domicile or residence of the testator, if it is made in the form of an international will complying with the provisions set out in Articles 2 to 5 hereinafter.

2. The invalidity of the will as an international will shall not affect its formal validity as a will of another kind.

Article 2

This law shall not apply to the form of testamentary dispositions made by two or more persons in one instrument.

Article 3

1. The will shall be made in writing.

2. It need not be written by the testator himself.

3. It may be written in any language, by hand or by any other means.

Article 4

1. The testator shall declare in the presence of two witnesses and of a person authorized to act in connection with international wills that the document is his will and that he knows the contents thereof.

2. The testator need not inform the witnesses, or the authorized person, of the contents of the will.

Article 5

1. In the presence of the witnesses and of the authorized person, the testator shall sign the will or, if he has previously signed it, shall acknowledge his signature.

2. When the testator is unable to sign, he shall indicate the reason therefor to the authorized person who shall make note of this on the will. Moreover, the testator may be authorized by the law under which the authorized person was designated to direct another person to sign on his behalf.

3. The witnesses and the authorized person shall there and then attest the will by signing in the presence of the testator.

Article 6

1. The signatures shall be placed at the end of the will.

2. If the will consists of several sheets, each sheet shall be signed by the testator or, if he is unable to sign, by the person signing on his behalf or,

if there is no such person, by the authorized person. In addition, each sheet shall be numbered.

Article 7

1. The date of the will shall be the date of its signature by the authorized person.

2. This date shall be noted at the end of the will by the authorized person.

Article 8

In the absence of any mandatory rule pertaining to the safekeeping of the will, the authorized person shall ask the testator whether he wishes to make a declaration concerning the safekeeping of his will. If so and at the express request of the testator the place where he intends to have his will kept shall be mentioned in the certificate provided for in Article 9.

Article 9

The authorized person shall attach to the will a certificate in the form prescribed in Article 10 establishing that the obligations of this law have been complied with.

Article 10

The certificate drawn up by the authorized person shall be in the following form or in a substantially similar form:

CERTIFICATE

(Convention of October 26, 1973)

1. I.....(name, address and capacity), a person authorized to act in connection with international wills.

2. Certify that on.....(date) at.....(place)

3. (testator)..... (name, address, date and place of birth)

in my presence and that of the witnesses

4. (*a*) ..... (name, address, date and place of birth)

(*b*) ..... (name, address, date and place of birth)

has declared that the attached document is his will and that he knows the contents thereof;

5. I furthermore certify that;

6. (*a*) in my presence and in that of the witnesses,

(1) the testator has signed the will or has acknowledged his signature previously affixed,

*(2) following a declaration of the testator stating that he was unable to sign his will for the following reason.....

—I have mentioned this declaration on the will

—the signature has been affixed by.....(name, address)

7. (*b*) the witnesses and I have signed the will;

8.*(*c*) each page of the will has been signed by..... and numbered;

9. (*d*) I have satisfied myself as to the identity of the testator and of the witnesses as designated above;

10. (*e*) the witnesses met the conditions requisite to act as such according to the law under which I am acting;

11.*(*f*) the testator has requested me to include the following statement concerning the safekeeping of his will:

12. PLACE

13. DATE

14. SIGNATURE and, if necessary, SEAL

*To be completed if appropriate.

Article 11

The authorized person shall keep a copy of the certificate and deliver another to the testator.

Article 12

In the absence of evidence to the contrary, the certificate of the authorized person shall be conclusive of the formal validity of the instrument as a will under this Law.

Article 13

The absence or irregularity of a certificate shall not affect the formal validity of a will under this Law.

Article 14

The international will shall be subject to the ordinary rules of revocation of wills.

Article 15

In interpreting and applying the provisions of this law, regard shall be had to its international origin and to the need for uniformity in its interpretation.

REPEALS

Repeals

43.—(1) Except as provided in subsection 2, the following are repealed:

(*a*) *The Wills Act*, being chapter 499 of the Revised Statutes of Ontario, 1970;

(*b*) chapter 3 of the Statutes of Ontario, 1971;

(*c*) paragraph 36 of the Schedule to chapter 98 of the Statutes of Ontario, 1971; and

(*d*) section 55 of *The Trustee Act*, being chapter 470 of the Revised Statutes of Ontario, 1970.

Exception

(2) The enactments repealed by subsection 1 continue in force as if unrepealed in respect of wills made by a testator who died before the 1st day of January, 1977.

Application of Part

44. This Part applies to wills made before, on or after the 1st day of January, 1977 where the testator has not died before that date.

PART II

Intestate Succession

Intestacy where spouse and no issue

45. Where a person dies intestate in respect of property and is survived by a spouse and not survived by issue, the spouse is entitled to the property absolutely. *New.*

Preferential share of spouse where issue

46.—(1) Subject to subsection 3, where a person dies intestate in respect of property having a net value of not more than $75,000 and is survived by a spouse and issue, the spouse is entitled to the property absolutely. R.S.O. 1970, c. 179, s. 11 (1); 1973, c. 18, s. 1 (1), *amended*.

Idem

(2) Subject to subsection 3, where a person dies intestate in respect of property having a net value of more than $75,000 and is survived by a spouse and issue, the spouse is entitled to $75,000 absolutely. R.S.O. 1970, c. 129, s. 11 (2); 1973, c. 18, s. 1 (2), *amended*.

Idem

(3) Notwithstanding subsection 1, where a person dies testate as to some property and intestate as to other property and is survived by a spouse and issue, and,

(*a*) where the spouse is entitled under the will to nothing or to property having a net value of less than $75,000, the spouse is entitled out of the intestate property to the amount by which $75,000 exceeds the net value of the property under the will, if any;

(*b*) where the spouse is entitled under the will to property having a net value of more than $75,000, subsections 1 and 2 do not apply. *New.*

Where estate consists of real property

(4) Where the estate consists in whole or in part of real property, this section does not apply if the spouse is the widow and elects under section 49 to take her dower interest in her husband's undisposed of real property. R.S.O. 1970, c. 129, s. 11 (4), *amended*.

Interpretation

(5) In this section, "net value" means the value of the property after payment of the charges thereon and the debts, funeral expenses and expenses of administration, including succession duty. R.S.O. 1970, c. 129, s. 11 (5).

Residue: spouse and one child

47.—(1) Where a person dies intestate in respect of property and leaves a spouse and one child, the spouse is entitled to one-half of the residue of the property after payment under section 46, if any.

Idem: spouse and two or more children

(2) Where a person dies intestate in respect of property and leaves a spouse and more than one child, the spouse is entitled to one-third of the residue of the property after payment under section 46, if any.

Idem: issue of predeceased children

(3) Where a child has died leaving issue living at the date of the intestate's death, the spouse's share shall be the same as if the child had been living at that date. R.S.O. 1970, c. 129, s. 31, *part*, *amended*.

Issue

48.—(1) Subject to subsection 2, where a person dies intestate in respect of property and leaves issue, the property shall be distributed, subject to the rights of the spouse, if any, among his children equally, but if any of the children predeceases the intestate, the share of the deceased child shall be distributed among the children of the deceased child equally, and if any child of a deceased child predeceases the intestate, his share shall be distributed among his children equally.

Issue of equal degree

(2) Notwithstanding subsection 1, where the issue are all of equal degree, the property shall be distributed among the issue equally. *New*.

Parents

(3) Where a person dies intestate in respect of property and leaves no spouse or issue, the property shall be distributed between the parents of the deceased equally or, where there is only one parent surviving the deceased, to that parent absolutely.

Brothers and sisters

(4) Where a person dies intestate in respect of property and there is no surviving spouse, issue or parent, the property shall be distributed among the surviving brothers and sisters of the intestate equally, and if any brother or sister predeceases the intestate, the share of the deceased

brother or sister shall be distributed among his or her children.

Nephews and nieces

(5) Where a person dies intestate in respect of property and there is no surviving spouse, issue, parent, brother or sister, the property shall be distributed among the nephews and nieces of the intestate equally without representation.

Next of kin

(6) Where a person dies intestate in respect of property and there is no surviving spouse, issue, parent, brother, sister, nephew or niece, the property shall be distributed among the next of kin of equal degree of consanguinity to the intestate equally without representation. R.S.O. 1970, c. 129, s. 31, *part, amended.*

Degrees of kindred

(7) For the purposes of subsection 6, degrees of kindred shall be computed by counting upward from the deceased to the nearest common ancestor and then downward to the relative, and the kindred of the half-blood shall inherit equally with those of the whole-blood in the same degree.

Descendants conceived but unborn

(8) For the purposes of this section, descendants and relatives of the deceased conceived before and born alive after the death of the deceased shall inherit as if they had been born in the lifetime of the deceased and had survived him. *New.*

Dower

49.—(1) A widow shall take her interest under this Part in her husband's undisposed of real property in lieu of any claim to dower in respect of real property of which her husband was at any time seised or to which at his death he was beneficially entitled unless within six months after the death of the deceased she elects by deed or instrument in writing attested by at least one witness to take her dower instead of her interest in the real property under this Part.

Where widow under disability

(2) Where the widow is a minor or a mentally incompetent person, the right of election may be exercised on her behalf by the Official Guardian with the approval of a judge or by some person authorized by a judge to exercise it, and the Official Guardian or the person so authorized may, for and in the name of the widow, give all notices and do all acts necessary or incidental to the exercise of such right.

Widow, patient in psychiatric facility R.S.O. 1970, c. 269

(3) Where the widow is a patient in a psychiatric facility under *The Mental Health Act* and the Public Trustee is committee of her estate, he is entitled to exercise on her behalf the power of election conferred by this section. R.S.O. 1970, c. 129, s. 8, *amended.*

Abolition of curtesy

50. The common law right of a widower to curtesy is hereby abolished.

Repeal of R.S.O. 1970, c. 129, ss. 8, 11, 12, 13, 30, 31, 31*a*, 32

51.—(1) Section 8, sections 11 and 12, as amended by the Statutes of Ontario, 1973, chapter 18, sections 1 and 2, sections 13, 30 and 31, section 31*a*, as enacted by the Statutes of Ontario, 1973, chapter 18, section 3, and section 32 of *The Devolution of Estates Act*, being chapter 129 of the Revised Statutes of Ontario, 1970, are repealed.

R.S.O. 1970, c. 129, s. 10 (1, 2), re-enacted

(2) Subsections 1 and 2 of section 10 of the said Act are repealed and the following substituted therefor:

Application for order allowing sale free of dower

(1) Where the personal representative desires to sell any real property devolving upon him free from dower, he may apply to a judge, who may, in a summary way, and upon notice to be served personally unless the judge otherwise directs, order that it be sold free from the right of the doweress, and in making such order regard shall be had to the interests of all parties.

Effect

(2) If a sale free from such dower is ordered, all the right and interest of the doweress passes thereby, and no conveyance or release thereof to the purchaser shall be required, and the purchaser, his heirs and assigns, hold the real property freed and discharged from the estate or interest of the doweress.

R.S.O. 1970, c. 129, s. 10 (3), amended

(3) Subsection 3 of the said section 10 is amended by striking out "curtesy or" in the second line.

R.S.O. 1970, c. 129, s. 28, re-enacted

(4) Section 28 of the said Act is repealed and the following substituted therefor:

Search for relatives born outside marriage

28.—(1) A personal representative is not liable in respect of the distribution of property without having ascertained the existence of any person of whom he has had no notice and who may be entitled by virtue of a relationship to the deceased by, or traced through, a birth outside marriage.

Saving rights

(2) Nothing in this section prejudices the right of any such person to follow the property, or any property representing it, into the hands of any person other than a purchaser in good faith and for value.

R.S.O. 1970, c. 85, s. 29, repealed

52.—(1) Section 29 of *The Conveyancing and Law of Property Act*, being chapter 85 of the Revised Statutes of Ontario, 1970, is repealed.

(2) Section 30 of the said Act is amended by striking out "A tenant by the curtesy" in the first line. R.S.O. 1970, c. 85, s. 30, amended

53. The enactments repealed or amended by sections 51 and 52 continue in force as if unrepealed or unamended in respect of an intestacy upon a death occurring before the 1st day of January, 1977. Exception

54. This Part applies to an intestacy upon a death occurring on or after the 1st day of January, 1977. Application

PART III

SURVIVORSHIP

55.—(1) Where two or more persons die at the same time or in circumstances rendering it uncertain which of them survived the other or others, the property of each person, or any property of which he is competent to dispose, shall be disposed of as if he had survived the other or others. R.S.O. 1970, c. 45, s. 1 (1). Survivorship as to succession

(2) Unless a contrary intention appears, where two or more persons hold legal title to property as joint tenants, or with respect to a joint account, with each other, and all of them die at the same time or in circumstances rendering it uncertain which of them survived the other or others, each person shall be deemed, for the purposes of subsection 1, to have held as tenant in common with the other or with each of the others in that property. Simultaneous death of joint tenants

(3) Where a will contains a provision for a substitute personal representative operative if an executor designated in the will, Provision in will for substitute representative

(*a*) dies before the testator;

(*b*) dies at the same time as the testator; or

(*c*) dies in circumstances rendering it uncertain which of them survived the other,

and the designated executor dies at the same time as the testator or in circumstances rendering it uncertain which of them survived the other, then, for the purpose of probate, the case for which the will provides shall be deemed to have occurred. *New.*

(4) The proceeds of a policy of insurance shall be paid in accordance with sections 190 and 268 of *The Insurance Act* Proceeds of insurance R.S.O. 1970, c. 224

and thereafter this Part applies to their disposition. R.S.O. 1970, c. 454, s. 1 (2); 1972, c. 43, s. 1, *amended*.

Repeals

56.—(1) *The Survivorship Act*, being chapter 454 of the Revised Statutes of Ontario, 1970, and *The Survivorship Amendment Act, 1972*, being chapter 43, are repealed.

Exception

(2) The enactment repealed by subsection 1 continues in force as if unrepealed in respect of deaths occurring before the 1st day of January, 1977.

Application of Part

57. This Part applies in respect of deaths occurring on or after the 1st day of January, 1977.

PART IV

Support of Dependants

Interpretation

58. In this Part,

(*a*) "child" means a child as defined in clause *a* of subsection 1 of section 1 and includes a step-child and grandchild and a person whom the deceased treated as a child of his family but does not include a foster child placed in the home of the deceased under an agreement with a public agency;

(*b*) "common law spouse" means either of a man and a woman who, not being married to each other, had been living together as husband and wife, immediately preceding the death of one of them,

(i) for a continuous period of not less than two years, or

(ii) in a relationship of some permanence where there is a child of which they are the parents;

(*c*) "court" means the surrogate court having jurisdiction to grant letters probate or letters of administration in the estate of the deceased;

(*d*) "deceased" means a testator or person dying intestate;

(*e*) "dependant" means,

(i) the spouse or common law spouse of the deceased,

(ii) a parent of the deceased,

(iii) a child of the deceased under the age of sixteen years at the time of the deceased's death, or sixteen years of age or over and under the deceased's charge at the time of the deceased's death but unable, by reason of illness, disability or other cause, to withdraw himself from the deceased's charge or to provide himself with necessaries of life, or

(iv) a brother or sister of the deceased, including a stepbrother or stepsister of the deceased;

(*f*) "letters probate" and "letters of administration" include letters probate, letters of administration or other legal documents purporting to be of the same legal nature granted by a court in another jurisdiction and resealed in this province;

(*g*) "parent" includes a stepparent, grandparent and a person who treated the deceased as a child of his family, but does not include a person in whose home the deceased was placed as a foster child under an agreement with a public agency;

(*h*) "spouse" includes a person whose marriage to the deceased was terminated or declared void by a judgment absolute of divorce or nullity of marriage and in whose favour an order or agreement for maintenance or support was outstanding at the time of the deceased's death. R.S.O. 1970, c. 126, s. 1, *amended*.

Order for support

59. Where a deceased has not made adequate provision for the proper support of his dependants or any of them, the court, on application by or on behalf of the dependants or any of them, may order that such provision as it considers adequate be made out of the estate of the deceased for the proper support of the dependants or any of them. R.S.O. 1970, c. 126, s. 2 (1), *amended*.

Suspensory order

60. On an application by or on behalf of the dependants or any of them, the court may make an order suspending in whole or in part the administration of the deceased's estate, for such time and to such extent as the court may decide. *New*.

Application

61.—(1) An application under this Part may be made to the court by originating notice of motion in accordance with the practice of the court. R.S.O. 1970, c. 126, s. 4 (1), *amended*.

Idem

(2) Where an application for an order under section 59 is made by or on behalf of any dependant,

(*a*) it may be dealt with by the court as; and

(*b*) in so far as the question of limitation is concerned, it shall be deemed to be,

an application on behalf of all persons who might apply. *New.*

Limitation period

62.—(1) Subject to subsection 2, no application for an order under section 59 may be made except within six months from the grant of letters probate of the will or of letters of administration.

Exception

(2) The court, if it considers it proper, may allow an application to be made at any time as to any portion of the estate remaining undistributed at the date of the application. R.S.O. 1970, c. 126, s. 4 (2), *amended*.

Consideration on application

63.—(1) Upon the hearing of an application under this Part the court,

(*a*) shall inquire into and consider all the circumstances of the application, including,

(i) the contributions made by the dependant to the deceased's welfare, including indirect and non-financial contributions,

(ii) the contributions made by the dependant to the acquisition, maintenance and improvement of the deceased's property, business or occupation,

(iii) the age of the dependant,

(iv) the financial resources and benefits which the dependant has and is likely to have in the future,

(v) the needs of the dependant, in determining which the court may have regard to the dependant's prior standard of living,

(vi) whether the dependant is responsible for the support of another person,

(vii) if the dependant is cohabiting with another person, the financial circumstances of that cohabitation,

(viii) any agreement between the deceased and the dependant,

(ix) the proximity and duration of the dependant's relationship with the deceased,

(x) any disability of the dependant,

(xi) the conduct of the dependant,

(xii) any previous distribution or division of property made by the deceased in favour of the dependant by gift or agreement or under court order,

(xiii) the claims that any other person may have as a dependant, and

(xiv) the tax consequences of an order under this Part;

(*b*) in addition to the evidence adduced by the parties appearing, may direct such other evidence to be given as the court considers necessary or proper; and

(*c*) may accept such evidence as the court considers proper of the deceased's reasons, so far as ascertainable,

(i) for making the dispositions made by his will, or

(ii) for not making adequate provision for a dependant,

including any statement in writing signed by the deceased. R.S.O. 1970, c. 126, s. 6, *amended*.

Idem

(2) In estimating the weight to be given to a statement referred to in clause *c* of subsection 1, the court shall have regard to all the circumstances from which any inference can reasonably be drawn as to the accuracy or otherwise of the statement. *New*.

Conditions and restrictions

64.—(1) In any order making provision for support of a dependant, the court may impose such conditions and restrictions as the court considers appropriate.

Contents of order

(2) Provision may be made out of income or capital or both and an order may provide for one or more of the following, as the court considers appropriate,

(*a*) an amount payable annually or otherwise whether for an indefinite or limited period or until the happening of a specified event;

(*b*) a lump sum to be paid or held in trust;

(*c*) any specified property to be transferred or assigned to or in trust for the benefit of the dependant, whether absolutely, for life or for a term of years;

(*d*) a lump sum payment to supplement or replace periodic payments;

(*e*) the securing of lump sum or periodic payments for support;

(*f*) charging property of the deceased with payment under an order;

(*g*) the payment of a lump sum or of increased periodic payments to enable a dependent spouse to meet debts reasonably incurred for his or her own support prior to an application under this Part. R.S.O. 1970, c. 126, s. 2, *amended*.

Idem

(3) Where a transfer or assignment of property is ordered, the court may,

(*a*) give all necessary directions for the execution of the transfer or assignment by the executor or administrator or such other person as the court may direct; or

(*b*) grant a vesting order.

Agreement or waiver

(4) An order under this section may be made notwithstanding any agreement or waiver to the contrary. *New*.

Notice to parties before order

(5) The court shall not make any order under this section until it is satisfied upon oath that all persons who are or may be interested in or affected by the order have been served with notice of the application as provided by the rules of court, and every such person is entitled to be present and to be heard in person or by counsel at the hearing. R.S.O. 1970, c. 126, s. 5.

(6) Notwithstanding subsection 5, where, in the opinion of the court, Exception

(*a*) every reasonable effort has been made to serve those entitled to notice; or

(*b*) after every reasonable effort has been made, it is not possible to identify one or more of the persons entitled to notice,

the court may dispense with the requirement of notice in respect of any person who has not been served. *New.*

65. Where an application is made under this Part and the applicant is in need of and entitled to support but any or all of the matters referred to in section 63 or 64 have not been ascertained by the court, the court may make such interim order under section 64 as it considers appropriate. 1973, c. 131, s. 1, *part.* Interim order

66. Where an order has been made under this Part, the court at any subsequent date may, Inquiries and further orders

(*a*) inquire whether the dependant benefited by the order has become entitled to the benefit of any other provision for his support;

(*b*) inquire into the adequacy of the provision ordered; and

(*c*) discharge, vary or suspend the order, or make such other order as the court considers appropriate in the circumstances. 1973, c. 131, s. 1, *part, amended.*

67. The court may at any time, Further powers of court

(*a*) fix a periodic payment or lump sum to be paid by a legatee, devisee or beneficiary under an intestacy to represent, or in commutation of, such proportion of the sum ordered to be paid as falls upon the portion of the estate in which he is interested;

(*b*) relieve such portion of the estate from further liability; and

(*c*) direct,

(i) the manner in which such periodic payment is to be secured, or

(ii) to whom such lump sum is to be paid and the manner in which it is to be dealt with for the benefit of the person to whom the commuted payment is payable. *New*.

Distribution stayed

68.—(1) Where an application is made and notice thereof is served on the personal representative of the deceased, he shall not, after service of the notice upon him, unless all persons entitled to apply consent or the court otherwise orders, proceed with the distribution of the estate until the court has disposed of the application. R.S.O. 1970, c. 126, s. 4 (3).

Exception

(2) Nothing in this Part prevents a personal representative from making reasonable advances for support to dependants who are beneficiaries.

Liability of personal representative

(3) Where a personal representative distributes any portion of the estate in violation of subsection 1, if any provision for support is ordered by the court to be made out of the estate, the personal representative is personally liable to pay the amount of the distribution to the extent that such provision or any part thereof ought, pursuant to the order or this Part, to be made out of the proportion of the estate distributed. *New*.

Incidence of provision ordered

69.—(1) Subject to subsection 2, the incidence of any provision for support ordered shall fall rateably upon that part of the deceased's estate to which the jurisdiction of the court extends.

Idem

(2) The court may order that the provision for support be made out of and charged against the whole or any portion of the estate in such proportion and in such manner as to the court seems proper. *New*.

Application re succession duties

R.S.O. 1970, c. 449

70. For the purpose of *The Succession Duty Act*, where an order is made under this Part in respect of,

(*a*) a deceased who died leaving a will, the will of the testator shall be deemed to have had effect from the date of the deceased's death as if it had been executed with such variations as are necessary to give effect to the order; or

(*b*) a deceased who died intestate, the provisions of Part II applicable to the distribution of the intestate's estate shall be construed as having been amended in the manner and to the extent the order alters the operation of those provisions. *New*.

71. The court may give such further directions as it considers necessary for the purpose of giving effect to an order. *New.* Further directions

72.—(1) A certified copy of every order made under this Part shall be filed with the clerk of the court out of which the letters probate or letters of administration issued. Certified copy of order filed with the clerk of the court

(2) A memorandum of the order shall be endorsed on or annexed to the copy, in the custody of the clerk, of the letters probate or letters of administration, as the case may be. *New.* Idem

73. Where a deceased, Property devised

(*a*) has, in his lifetime, in good faith and for valuable consideration, entered into a contract to devise or bequeath any property; and

(*b*) has by his will devised or bequeathed that property in accordance with the provisions of the contract,

the property is not liable to the provisions of an order made under this Part except to the extent that the value of the property in the opinion of the court exceeds the consideration received by the deceased therefor. R.S.O. 1970, c. 126, s. 8, *amended*.

74.—(1) Subject to section 73, for the purpose of this Part, the capital value of the following transactions effected by a deceased before his death, whether benefiting his dependant or any other person, shall be included as testamentary dispositions as of the date of the death of the deceased and shall be deemed to be part of his net estate for purposes of ascertaining the value of his estate, Value of certain transactions deemed part of estate

(*a*) gifts *mortis causa*;

(*b*) money deposited, together with interest thereon, in an account in the name of the deceased in trust for another or others with any chartered bank, savings office, credit union or trust company, and remaining on deposit at the date of the death of the deceased;

(*c*) money deposited, together with interest thereon, in an account in the name of the deceased and another person or persons and payable on death pursuant to the terms of the deposit or by operation of law to the survivor or survivors of those

persons with any chartered bank, savings office, credit union or trust company, and remaining on deposit at the date of the death of the deceased;

(*d*) any disposition of property made by a deceased whereby property is held at the date of his death by the deceased and another as joint tenants;

(*e*) any disposition of property made by the deceased in trust or otherwise, to the extent that the deceased at the date of his death retained, either alone or in conjunction with another person or persons by the express provisions of the disposing instrument, a power to revoke such disposition, or a power to consume, invoke or dispose of the principal thereof, but the provisions of this clause do not affect the right of any income beneficiary to the income accrued and undistributed at the date of the death of the deceased; and

(*f*) any amount payable under a policy of insurance effected on the life of the deceased and owned by him.

Idem

(2) The capital value of the transactions referred to in clauses *b*, *c* and *d* of subsection 1 shall be deemed to be included in the net estate of the deceased to the extent that the funds on deposit were the property of the deceased immediately before the deposit or the consideration for the property held as joint tenants was furnished by the deceased.

Burden of proof

(3) Dependants claiming under this Part shall have the burden of establishing that the funds or property, or any portion thereof, belonged to the deceased.

Idem

(4) Where the other party to a transaction described in clause *c* or *d* of subsection 1 is a dependant, he shall have the burden of establishing the amount of his contribution, if any.

Exception

(5) This section does not prohibit any corporation or person from paying or transferring any funds or property, or any portion thereof, to any person otherwise entitled thereto unless there has been personally served on the corporation or person a certified copy of a suspensory order made under section 60 enjoining such payment or transfer.

Suspensory order

(6) Personal service upon the corporation or person holding any such fund or property of a certified copy of a

suspensory order shall be a defence to any action or proceeding brought against the corporation or person with respect to the fund or property during the period the order is in force.

Rights of creditor

(7) This section does not affect the rights of creditors of the deceased in any transaction with respect to which a creditor has rights. *New.*

Validity of mortgage, etc.

75. Where provision for the support of a dependant is ordered pursuant to this Part, a mortgage, charge or assignment of or with respect to such provision, made before the order of the court making such provision is entered, is invalid. *New.*

Persons in institutions under R.S.O. 1970, c. 269

76.—(1) Where a person by whom, or on whose behalf, an application may be made under this Part is a patient in a psychiatric facility under *The Mental Health Act* at the time of the deceased's death or at any time before the application under this Part is heard and disposed of, notice of the application for letters probate or letters of administration shall be served upon the Public Trustee on behalf of that person, and the time within which the Public Trustee may make an application under this Part runs from the date of the service of the notice.

Notice to Public Trustee

(2) Where a person interested in the estate in respect of which an application is made under this Part is a patient in a psychiatric facility under *The Mental Health Act*, notice of the application shall in every case be served upon the Public Trustee, who has the right to appear and be heard upon the application. R.S.O. 1970, c. 126, s. 4 (5, 6), *amended.*

Removal into Supreme Court

77. At any time before the hearing of an application, a judge of the Supreme Court upon motion on behalf of the personal representative of the deceased, the applicant, or any other person interested, and upon being satisfied that the total value of the estate of the deceased exceeds $10,000, may by order direct that the application be heard by a judge of the Supreme Court and thereupon the matter shall be transferred into the Supreme Court and the application shall be heard by a judge of the Supreme Court who has the like powers and shall proceed in the like manner as the court on an application under this Part. R.S.O. 1970, c. 126, s. 4 (4).

Costs

78. The court may direct that the costs of the application be paid out of the estate or otherwise as it thinks proper, and may fix the amount of the costs payable by any party, exclusive of necessary disbursements, at a lump sum having

regard to the value of the estate and the amount of any support applied for or directed by its order. R.S.O. 1970, c. 126, s. 11.

Appeal

79. An appeal lies to the Supreme Court from any order of the court made under this Part. R.S.O. 1970, c. 126, s. 12 (1), *amended*.

Enforcement

80. An order or direction made under this Part may be enforced against the estate of the deceased in the same way and by the same means as any other judgment or order of the court against the estate may be enforced. R.S.O. 1970, c. 126, s. 12, *amended*.

Crown bound

81. This Part binds the Crown. *New*.

Repeals

82.—(1) Subject to subsection 2, *The Dependants' Relief Act*, being chapter 126 of the Revised Statutes of Ontario, 1970, and *The Dependants' Relief Amendment Act, 1973*, being chapter 131, are repealed.

Exception

(2) The enactments repealed by subsection 1 continue in force as if unrepealed in respect of applications where the deceased died before the 1st day of January, 1977.

Application of Part

83. This Part does not apply where the deceased died before the 1st day of January, 1977, but an application may be made under section 66 regardless of the time of the deceased's death.

PART V

Rights of Common Law Spouses and Children Born Outside Marriage

1971, c. 51, s. 1 (1) (*b*, *c*), re-enacted

84.—(1) Clauses *b* and *c* of subsection 1 of section 1 of *The Compensation for Victims of Crime Act, 1971*, being chapter 51, are repealed and the following substituted therefor:

R.S.O. 1970, c. 64

(*b*) "child" means a natural child born within or outside marriage, subject to section 83 of *The Child Welfare Act* (which relates to the effect of adoption), and includes a stepchild and grandchild of the victim and a person whom the victim treated as a child of his family, and includes a child of the victim conceived before and born alive after the victim's death, but does not include a foster child placed in the home of the victim under an agreement with a public agency;

SECTION 84. The definition of child is standardized with the language used elsewhere in the Bill and the definition of dependants expressly includes certain degrees of relationship implicit in what is now referred to as "other relatives". The definition of recognizable common law marriages is standardized with the language used elsewhere in the Bill.

(*c*) "dependant" means,

(i) the spouse of the victim,

(ii) a parent of the victim, including a step-parent and grandparent and a person who treated the victim as a child of his family, but does not include a person in whose home the victim was placed as a foster child under an agreement with a public agency,

(iii) a child of the victim,

(iv) a brother or sister of the victim, including a stepbrother or stepsister of the victim, and

(v) any other relative of the victim,

who was in whole or in part dependent on the victim for support at the time of his death.

1971, c. 51, s. 1 (2), re-enacted

(2) Subsection 2 of the said section 1 is repealed and the following substituted therefor:

Unmarried spouses

(2) The Board may direct that a person was the spouse of a deceased victim for the purposes of this Act where the Board finds that,

(*a*) they were a man and a woman who, not being married to each other, had been living together as husband and wife immediately preceding the death of the victim,

(i) for a continuous period of not less than two years, or

(ii) in a relationship of some permanence where there is a child of which they are the parents; or

(*b*) their marriage was terminated or declared void by a judgment absolute of divorce or nullity of marriage and an order or agreement for maintenance or support was outstanding at the time of the victim's death.

Application 1971, c. 51

(3) Subject to section 6 of *The Compensation for Victims of Crime Act, 1971*, this section applies to applications whether the victim died before, on or after the 1st day of January, 1977.

R.S.O. 1970, c. 164, s. 1, re-enacted

85.—(1) Section 1 of *The Fatal Accidents Act*, being chapter 164 of the Revised Statutes of Ontario, 1970, is repealed and the following substituted therefor:

Interpretation

1. In this Act,

R.S.O. 1970, c. 64

(*a*) "child" means a natural child born within or outside marriage, subject to section 83 of *The Child Welfare Act* (which relates to the effect of adoption), and includes a stepchild and grandchild of the deceased and a person whom the deceased treated as a child of his family, and includes a child of the deceased conceived before and born alive after the deceased's death, but does not include a foster child placed in the home of the deceased under an agreement with a public agency;

(*b*) "common law spouse" means either of a man and a woman who, not being married to each other, had been living together as husband and wife immediately preceding the death of one of them,

(i) for a continuous period of not less than two years, or

(ii) in a relationship of some permanence where there is a child of which they are the parents;

(*c*) "parent" includes a stepparent and grandparent and a person who treated the deceased as a child of his family, but does not include a person in whose home the deceased was placed as a foster child under an agreement with a public agency;

(*d*) "spouse" includes a person whose marriage to the deceased was terminated or declared void by a judgment absolute of divorce or nullity of marriage and in whose favour an order or agreement for maintenance or support was outstanding at the time of the deceased's death, and includes a common law spouse.

R.S.O. 1970, c. 164, s. 3 (1), amended

(2) Subsection 1 of section 3 of the said Act is amended by striking out "wife, husband, parent and child" in the second line and inserting in lieu thereof "spouse, parent, child, brother, sister, stepbrother and stepsister".

Application

(3) This section does not apply in respect of actions brought upon the death of a person who died before the 1st day of January, 1977.

SECTION 85. The amendments standardize the definition of child and parent with the language used elsewhere in the Bill. The persons who may bring action are extended to include common law spouses, as defined, and brothers, sisters, stepbrothers and stepsisters of the deceased.

SECTION 86.—Subsection 1. The amendment permits gifts made to or by reference to the spouse of a person to take effect where the spouse is a common law spouse, as defined, in the same way as if they were married.

Subsection 2. The amendment permits gifts made to issue of an unborn person to take effect where the issue is born outside marriage.

86.—(1) Section 9 of *The Perpetuities Act*, being chapter 343 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following subsection. R.S.O. 1970, c. 343, s. 9, amended

(2) For the purposes of subsection 1, "spouse" includes either of a man and a woman who, not being married to each other, had been living together as husband and wife, immediately preceding the death of one of them, "spouse" defined

(*a*) for a continuous period of not less than two years; or

(*b*) in a relationship of some permanence where there is a child of which they are the parents.

(2) Section 17 of the said Act is amended by striking out "the unborn child or other" in the second and third lines and inserting in lieu thereof "any unborn". R.S.O. 1970, c. 343, s. 17, amended

(3) Section 17 of the said Act is further amended by adding thereto the following subsection. R.S.O. 1970, c. 343, s. 17, amended

(2) For the purposes of subsection 1, "issue" means issue of a person, whether born within or outside marriage, subject to section 83 of *The Child Welfare Act*. "issue" defined R.S.O. 1970, c. 64

GENERAL

87. This Act comes into force on the 1st day of January, 1977. Commencement

88. This Act may be cited as *The Succession Law Reform Act, 1976*. Short title

An Act to reform the Law respecting Succession to the Estates of Deceased Persons

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1st Reading

May 11th, 1976

2nd Reading

3rd Reading

THE HON. R. MCMURTRY
Attorney General

(*Government Bill*)

1976

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Health Insurance Act, 1972

MR. ZIEMBA

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

The purpose of the Bill is to facilitate the obtaining of information relating to the amounts billed to the Plan by any hospital, health facility or person providing insured services.

BILL 86 **1976**

An Act to amend The Health Insurance Act, 1972

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 44 of *The Health Insurance Act, 1972*, being chapter 91, as amended by the Statutes of Ontario, 1974, chapter 60, section 9, and 1974, chapter 86, section 2, is further amended by adding thereto the following subsection: s. 44, amended

(2*a*) Notwithstanding subsections 1 and 2, the General Manager, where requested in writing to do so, shall furnish the person making the request with information pertaining to the amounts paid or payable by the Plan to any hospital, health facility or person who provided insured services. General Manager to furnish information

2. This Act comes into force on the day it receives Royal Assent. Commencement

3. This Act may be cited as *The Health Insurance Amendment Act, 1976*. Short title

An Act to amend
The Health Insurance Act, 1972

1st Reading

May 13th, 1976

2nd Reading

3rd Reading

MR. ZIEMBA

(*Private Member's Bill*)

1976

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Education Act, 1974

THE HON. T. L. WELLS
Minister of Education

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Notes

Section 1.—Subsection 1. The new paragraph 2 removes the detailed method of determining the average daily enrolment for a calendar year from the Act and places it in the regulations.

Subsection 2. This paragraph which defines "prescribed" is no longer required due to the reference to the regulations appearing throughout the Act.

Section 2.—Subsection 1. The new clause *da* authorizes the Minister to establish a book purchase plan.

Subsection 2. The amended clause *f* authorizes the Minister to publish lists that include learning materials.

Subsection 3. The new clause *v* authorizes the Minister to enter into agreements in respect of a learning materials development plan.

The new clause *w* authorizes the Minister to initiate educational research and to make grants for the funding of such research.

The new clause *x* authorizes the Minister to permit boards to establish "French language" immersion programs for English-speaking pupils, and clarifies the authority for establishing such programs subject to requiring English-speaking programs where parents so desire.

BILL 87 **1976**

An Act to amend The Education Act, 1974

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1.—(1) Paragraph 2 of subsection 1 of section 1 of *The Education Act, 1974*, being chapter 109, is repealed and the following substituted therefor: s. 1 (1), par. 2, re-enacted

2. "average daily enrolment" for a calendar year means the average daily enrolment calculated in accordance with the regulations.

(2) Paragraph 37 of subsection 1 of the said section 1 is repealed. s. 1 (1), par. 37, repealed

2.—(1) Subsection 1 of section 8 of the said Act, as amended by the Statutes of Ontario, 1975, chapter 77, section 1, is further amended by adding thereto the following clause: s. 8 (1), amended

(*da*) purchase and distribute textbooks and other learning materials for use in schools. textbooks and other learning materials

(2) Clause *f* of subsection 1 of the said section 8 is amended by inserting after "textbooks" in the second line "learning materials". s. 8 (1) (*f*), amended

(3) Subsection 1 of the said section 8 is further amended by adding thereto the following clauses: s. 8 (1), amended

(*v*) enter into an agreement with any board, person or organization in respect of the development and production of learning materials, and pay all or part of the costs in connection therewith; agreements concerning learning materials

(*w*) initiate educational research and make grants to a board, an individual, a voluntary association or a corporation for educational research programs, activities or projects to promote the advancement of education; educational research and grants for promotion of advancement of education

discretion to establish French-language programs for English-speaking pupils

(*x*) permit a board to establish for English-speaking pupils programs involving varying degrees of the use of the French language in instruction, provided that programs in which English is the language of instruction are made available to pupils whose parents desire such programs for their children.

s. 10 (3) (*c*) (ii), re-enacted

3.—(1) Subclause ii of clause *c* of subsection 3 of section 10 of the said Act is repealed and the following substituted therefor:

(ii) requiring the approval of the Minister to any amount of money, enrolment or rate used in determining the amount of such grants.

s. 10 (3), amended

(2) Subsection 3 of the said section 10 is amended by adding thereto the following clause:

(*f*) prescribing the method of calculating average daily enrolment.

s. 10 (8) (*f*), re-enacted

(3) Clause *f* of subsection 8 of the said section 10 is repealed and the following substituted therefor:

fees for courses

(*f*) prescribing the fees to be paid for courses provided by the Ministry for teachers, principals and supervisory officers or any class thereof.

s. 10 (8) (*h*), re-enacted

(4) Clause *h* of subsection 8 of the said section 10 is repealed and the following substituted therefor:

tuition fee teachers' college

(*h*) requiring the payment of a tuition fee by students attending a teachers' college, fixing the amount and manner of payment thereof and prescribing the conditions under which a student is entitled to a refund of the fee or part thereof.

s. 11, amended

4. Section 11 of the said Act is amended by adding thereto the following subsection:

Agreements with Canada re learning materials

(4) The Crown in right of Ontario, represented by the Minister, may enter into an agreement with the Crown in right of Canada in respect of the development and production of learning materials and the sharing of the costs thereof.

s. 31 (2), amended

5. Subsection 2 of section 31 of the said Act is amended by inserting after "Part" in the first line "except subsection 6 of section 46".

s. 38, re-enacted

6. Section 38 of the said Act is repealed and the following substituted therefor:

SECTION 3.—Subsection 1. The provision re-enacted at present reads as follows:

(*ii*) *requiring the approval of the Minister to any amount of money or rate determined by the application of any word or expression defined.*

The re-enactment permits the making of a regulation to require the enrolment used in determining the amount of a grant to be approved by the Minister.

Subsection 2. The new clause *f* is complementary to the amendment in section 1 of this Bill and permits the method of calculating average daily enrolment to be prescribed by regulation.

Subsection 3. The provision re-enacted at present reads as follows:

(*f*) *prescribing the fees to be paid for courses provided by the Ministry for teachers, principals and supervisory officers.*

The re-enactment permits a different fee to be prescribed for certain classes of teachers, principals and supervisory officers.

Subsection 4. The provision re-enacted at present reads as follows:

(*h*) *requiring the payment of a tuition fee by students attending a teachers' college and fixing the amount and manner of payment thereof.*

The re-enactment permits the prescribing of conditions under which a student is entitled to a refund of teachers' college tuition fees.

SECTION 4. The new subsection 4 gives the Minister the authority to enter into an agreement with Canada relative to learning materials.

SECTION 5. Subsection 2 is amended by adding thereto the words "except subsection 6 of section 46" and is complementary to the amendment to section 46 of the Act.

SECTION 6. The re-enactment of section 38 adds the words "qualified to be" throughout the provision where reference is made to a resident pupil and is more appropriate as the reference is meant to include a person qualified to be a resident pupil as well as a resident pupil.

SECTION 7. The amendment to section 41 is complementary to the re-enactment of section 38.

SECTION 8. The re-enactment of section 43 adds the words "or a ward of a training school" and thereby extends the right to attend school without paying a fee to wards of a training school who are transferred to a foster home from the training school.

Resident pupil

38.—(1) Subject to subsections 2 and 3, a person who is qualified to be a resident pupil of a secondary school district has the right to attend any secondary school,

(*a*) that is more accessible to him than any secondary school in the secondary school district of which he is qualified to be a resident pupil;

(*b*) to take, for the purpose of obtaining the secondary school honour graduation diploma, a subject or subjects not available in the secondary school district of which he is qualified to be a resident pupil but required by him for admission to any university or teacher-training course or for entry into any trade, profession or calling;

(*c*) to take a program of study that includes the subject of French for French-speaking pupils in the intermediate or senior division and that is not available in the secondary school district of which he is qualified to be a resident pupil, where such program of study is required by him for admission to any university or teacher-training course or for entry into any trade, profession or calling; or

(*d*) to take a program in a French-language school or class if a French-language school or class is not provided by the board of the secondary school district of which he is qualified to be a resident pupil.

Restrictions

(2) Subsection 1 applies to a person who is qualified to be a resident pupil of a secondary school district only if the appropriate supervisory officer certifies that there is adequate accommodation for him in the school.

Where agreement between boards

(3) Clauses *b*, *c* and *d* of subsection 1 do not apply to a person who is qualified to be a resident pupil of a secondary school district if the board of the secondary school district has entered into an agreement with another secondary school board under section 160 and the programs and subjects referred to in such clauses are offered in the schools covered by the agreement.

7. Section 41 of the said Act is amended by inserting after "be" where it occurs the second time in the ninth line "qualified to be". s. 41, amended

8. Section 43 of the said Act is repealed and the following substituted therefor: s. 43, re-enacted

Admission of ward, etc., of children's aid society or training school to an elementary school

43.—(1) A child who is a ward of a children's aid society or in the care of a children's aid society or a ward of a training school, and who is otherwise qualified to be admitted to an elementary school, shall be admitted without the payment of a fee to an elementary school operated by the board of the school section or separate school zone, as the case may be, in which the child resides.

Admission of ward, etc., of children's aid society or training school to a secondary school

(2) A child who is a ward of a children's aid society or in the care of a children's aid society or a ward of a training school, and who is otherwise qualified to be admitted to a secondary school, shall be admitted without the payment of a fee to a secondary school operated by the board of the secondary school district in which the child resides.

s. 46 (1, 2, 5), re-enacted

9. Subsections 1, 2 and 5 of section 46 of the said Act are repealed and the following substituted therefor:

Fees payable

(1) Where a person qualified to be a resident pupil of a secondary school district attends a secondary school that he has a right to attend under subsection 1 of section 38, the board of the secondary school district of which he is qualified to be a resident pupil shall pay to the board that operates the secondary school attended by the pupil a fee calculated in accordance with the regulations.

Idem

(2) Where a person qualified to be a resident pupil of a school division attends a public or secondary school in another school division under section 45, the divisional board of which he is qualified to be a resident pupil shall pay to the divisional board that operates the school attended by the pupil a fee calculated in accordance with the regulations.

. . . . .

Admission of qualified non-resident pupil

(5) A board may admit to a school that it operates a person whose admission with or without the payment of a fee is not otherwise provided for in this Act but who, except as to residence, is qualified to attend such school, and may, at its discretion, require the payment by or on behalf of the person of a fee calculated in accordance with the regulations.

Fee for student under R.S.C. 1970, c. I-2

(6) Notwithstanding any other provision of this Act, where a board admits to a school that it operates a person who is in Canada as a student under the *Immigration Act* (Canada), except a participant in an educational exchange program under which a pupil of the board attends without fee a school outside Canada and a pupil who is enrolled in an elementary school or a secondary school prior to the 1st day of July, 1976, it shall charge such person the maximum fee calculated in accordance with the regulations.

SECTION 9. The re-enactment of subsections 1 and 2 adds the words "qualified to be" to resident pupil and are complementary to the re-enactment of section 38.

The re-enactment of subsection 5 adds the words "whose admission with or without the payment of a fee is not otherwise provided for in this Act but" and clarifies the intention that this subsection is not to apply to a person for whom admission with or without fee is otherwise provided.

The new subsection 6 requires boards to charge gross fees to all pupils on student visas except participants in certain educational exchange programs and pupils who are enrolled prior to July 1, 1976.

SECTION 10. Subsection 2, exclusive of the clauses, at present reads as follows:

(2) *In respect of the territorial districts, the Lieutenant Governor in Council may, by regulation, on or before the 1st day of July in any year, to be effective on the 1st day of January next following,*

. . . . .

The amendment strikes out the words underlined above and removes the requirement that action be taken in respect of the formation or alteration of a district school area before the 1st day of July to be effective on the 1st day of January next following.

SECTION 11. Subsection 1 at present reads as follows:

(1) *In sections 62, 63 and 64, "public school elector" means in respect of territory without municipal organization, owners and tenants of property in such territory without municipal organization, including their spouses who are Canadian citizens or British subjects and of the full age of eighteen years and who are not separate school supporters.*

The re-enactment clarifies the intention of the subsection to make clause *b* apply to owners and tenants as well as to the spouses of such owners and tenants.

SECTION 12. The amendment to subsection 2 adds the words "including notice of any resolution required to be approved by the electors" and requires prior notice of a proposed change in the method of election of members of the board to be given where the proposal is to come before an annual meeting.

SECTION 13. The amendment to subsection 2 corrects a reference.

SECTION 14. The amendment to subsection 2 corrects a reference.

SECTION 15. The amendment to clause *b* of subsection 5 of section 83 directs the insertion of either the name selected for the board or the name subsequently selected by the board and approved by the Minister in relation to the selecting of a corporate name for a Roman Catholic separate school board in one or more townships.

SECTION 16. The amendment to subsection 2 of section 84 is in respect of boards in an unorganized territory and is similar to the amendment to clause *b* of subsection 5 of section 83.

SECTION 17. Clause *c* at present reads as follows:

(c) *to appoint annually on or before the 1st day of December an auditor or auditors.*

The amendment is complementary to the amendment to section 203 (section 28 of the Bill) which makes the provisions respecting auditors apply to all boards.

SECTION 18.—Subsection 1. The new subsection 2*a* provides for the dissolution of a separate school board where the zone is included in a designated area.

10. Subsection 2 of section 60 of the said Act is amended by striking out "on or before the 1st day of July in any year, to be effective on the 1st day of January next following" in the second, third and fourth lines. s. 60 (2), amended

11. Subsection 1 of section 62 of the said Act is repealed and the following substituted therefor: s. 62 (1), re-enacted

(1) In sections 62, 63 and 64, "public school electors" in respect of territory without municipal organization means, Public school electors

(*a*) owners and tenants of property in such territory without municipal organization; and

(*b*) the spouses of such owners and tenants,

who are Canadian citizens or British subjects and of the full age of eighteen years and who are not separate school supporters.

12. Subsection 2 of section 63 of the said Act is amended by inserting after "meeting" in the second line "including notice of any resolution required to be approved by the electors". s. 63 (2), amended

13. Subsection 2 of section 64 of the said Act is amended by striking out "7" in the third line and inserting in lieu thereof "2". s. 64 (2), amended

14. Subsection 2 of section 65 of the said Act is amended by striking out "3" in the first line and inserting in lieu thereof "4". s. 65 (2), amended

15. Clause *b* of subsection 5 of section 83 of the said Act is amended by inserting after "*subsection 2*" in the fourth line "*or by the board*". s. 83 (5) (*b*), amended

16. Subsection 2 of section 84 of the said Act is amended by inserting after "*section 83*" in the seventh line "*or by the board*". s. 84 (2), amended

17. Clause *c* of subsection 1 of section 102 of the said Act is amended by striking out "annually on or before the 1st day of December" in the first and second lines. s. 102 (1) (*c*), amended

18.—(1) Section 103 of the said Act is amended by adding thereto the following subsection: s. 103, amended

(2*a*) Where an area that is designated under clause *a* of subsection 2 includes the centre of an existing separate school zone, the board of such zone is dissolved effective Dissolution of board

upon such date as may be set out in the regulation designating the area.

s. 103 (3), re-enacted

(2) Subsection 3 of the said section 103 is repealed and the following substituted therefor:

Establishment of boards

(3) A separate school board shall be established for each county and district combined separate school zone and except where otherwise provided under section 103*a*, the trustees of the board shall be elected and the board organized in accordance with sections 110 to 112.

s. 103*a*, enacted

19. The said Act is amended by adding thereto the following section:

Designation of a combined separate school board as a district combined separate school board

103*a*.—(1) Where the board of a combined separate school zone in the territorial districts applies to the Minister to have the zone made a district combined separate school zone and the board becomes a district combined separate school board, the Lieutenant Governor in Council on the recommendation of the Minister may, by regulation, designate such zone as a district combined separate school zone, and upon such designation,

(*a*) the board of the combined separate school zone is dissolved and a separate school board for the district combined separate school zone is established, composed of the trustees of the board of the combined separate school zone who shall remain in office as trustees of the board of the district combined separate school zone until the board is organized following the next regular election of trustees;

(*b*) all property, including the employment contracts of the employees, of the combined separate school board becomes vested in the district combined separate school board; and

(*c*) all debts, contracts, agreements and liabilities of the combined separate school board become obligations of the district combined separate school board,

and except as provided by or under this section, the provisions of this Act shall apply in respect of the district combined separate school board and the zone designated under this section as if the designation of the zone and the formation of the board had been made under section 103.

Subsection 2. Subsection 3 at present reads as follows:

> (3) *A separate school board shall be established for each county and district combined separate school zone, and the trustees of the board shall be elected and the board organized in accordance with sections 110 to 112.*

The re-enactment adds the words "except where otherwise provided under section 103*a*" and is complementary to section 103*a*.

SECTION 19. Subsection 1 of the new section 103*a* makes provision for a combined separate school zone to be designated a district combined separate school zone and provides for the transfer of jurisdiction from the board of the combined separate school zone to the board of the district combined separate school zone.

Subsection 2 permits the number and distribution of trustees of the district combined separate school board to be varied from that in section 110 of the Act.

SECTION 20. The amendment to subsection 19 is complementary to the amendment to subsection 2 of the new section 103*a*.

SECTION 21. Paragraph 14 at present reads as follows:

14. ascertain and report to the Ministry at least once in each year the names and ages of all children of compulsory school age within its jurisdiction who are not enrolled in any school or private school and the reasons therefor.

The amendment adds the words "in the manner required by the Minister" and so provides for the Minister to prescribe the manner in which the board is to report the names and ages of children of compulsory school age within its jurisdiction who are not enrolled in any school or private school and the reasons therefor.

SECTION 22.—Subsection 1. Paragraph 8 at present reads as follows:

8. enter into an agreement in respect of the use of a computer or a system of computer programming.

The re-enactment clarifies the intent that agreements are to be restricted to computers or systems of computer programming to be used by the board.

Subsection 2. The new paragraph 45 permits a board to purchase public liability insurance in respect of any risk, loss or liability. This is in addition to the liability insurance a board is required to purchase in relation to its pupils under paragraph 8 of section 146.

SECTION 23. The clauses re-enacted at present read as follows:

(*a*) *accommodation for administrative purposes;*

(*b*) *accommodation for instructional purposes.*

The re-enactment adds the words "and equipment" to each clause and so expands the board's authority to enter into agreements to include agreements for the use of equipment.

SECTION 24.—Subsection 1. The new subsection 8*a* provides that where a regulation provides for the formation and composition of a secondary school board that includes members to represent Indian pupils, subsections 4 to 8 of this section dealing with the appointment of representatives of Indian pupils to that board do not apply.

(2) For the purpose of an election of trustees of a district combined separate school board established under subsection 1, the Lieutenant Governor in Council may, by regulation, exempt the district combined separate school board from the provisions of subsections 2 to 18 of section 110 and provide for the number of trustees to be elected to the board and the city, district municipality or district municipalities to be represented by each trustee. Trustee representation

20. Subsection 19 of section 110 of the said Act is amended by striking out "it is determined under this section that" in the fifth line. s. 110 (19), amended

21. Paragraph 14 of section 146 of the said Act is repealed and the following substituted therefor: s. 146, par. 14, re-enacted

14. ascertain and report to the Ministry at least once in each year in the manner required by the Minister the names and ages of all children of compulsory school age within its jurisdiction who are not enrolled in any school or private school and the reasons therefor. report children not enrolled

22.—(1) Paragraph 8 of subsection 1 of section 147 of the said Act is repealed and the following substituted therefor: s. 147 (1), par. 8, re-enacted

8. in lieu of purchasing a computer or system of computer programming, enter into an agreement for the use thereof by the board. computer programming

(2) Subsection 1 of the said section 147 is amended by adding thereto the following paragraph: s. 147 (1), amended

45. provide for insurance against risks that may involve pecuniary loss or liability on the part of the board, and for paying premiums therefor. insurance

23. Clauses *a* and *b* of subsection 1 of section 156 of the said Act are repealed and the following substituted therefor: s. 156 (1) (*a*, *b*), re-enacted

(*a*) accommodation and equipment for administrative purposes;

(*b*) accommodation and equipment for instructional purposes.

24.—(1) Section 162 of the said Act is amended by adding thereto the following subsection: s. 162, amended

Exception re subss. 4-8

(8*a*) Where a regulation made under clause *a* of subsection 2 of section 67 provides for the appointment of one or more members to represent on the board the interests of Indian pupils, subsections 4 to 8 do not apply.

s. 162, amended

(2) The said section 162 is further amended by adding thereto the following subsection:

Representative of Indian pupils on Roman Catholic separate school board to be Roman Catholic

(10) Where a person is chosen by a band to represent the interests of Indian pupils on a Roman Catholic separate school board, such person shall be a Roman Catholic and of the full age of eighteen years.

s. 163 (1), amended

25.—(1) Subsection 1 of section 163 of the said Act is amended by striking out "and" at the end of clause *a*, by adding "and" at the end of clause *b* and by adding thereto the following clause:

(*c*) a child over two years of age who may, under the regulations, be admitted to a program for hearing-handicapped children,

. . . . .

s. 163 (7), amended

(2) Subsection 7 of the said section 163 is amended by striking out "in lieu of providing daily transportation to and from school under subsection 1" in the fifth, sixth and seventh lines.

s. 163 (9), re-enacted

(3) Subsection 9 of the said section 163 is repealed and the following substituted therefor:

Idem

(9) Where a pupil resides with his parent or guardian in a school division or a secondary school district in a residence that,

(*a*) in a territorial district is fifteen miles or more; or

(*b*) in a county is thirty miles or more,

by road or rail from a secondary school that he attends, or where a pupil resides with his parent or guardian on an island in a school division or a secondary school district the board of the school division or secondary school district of which he is a resident pupil may reimburse the parent or guardian at the end of each month for the cost of providing for such pupil, board, lodging, and transportation once a week from his residence to school and return, in an amount set by the board for each day of attendance as certified by the principal of the secondary school that the pupil attends.

Subsection 2. The new subsection 10 requires that an Indian appointee to a Roman Catholic separate school board be a Roman Catholic and is consistent with the requirement that an elected trustee of such board be a Roman Catholic.

SECTION 25.—Subsection 1. The new clause *c* permits a board to provide transportation for hearing-handicapped children who are admitted under the regulation to a program for such children.

Subsection 2. Subsection 7 at present reads as follows:

(7) *Where a pupil resides in a school section or separate school zone in a territorial district but not in a school division with his parent or guardian in a residence that is fifteen miles or more by road or rail from a secondary school that he is eligible to attend, an elementary school board may, in lieu of providing daily transportation to and from school under subsection 1, reimburse the parent or guardian at the end of each month for the cost of providing for such pupil, board, lodging, and transportation once a week from his residence to school and return, in an amount set by the board for each day of attendance as certified by the principal of the secondary school that the pupil attends.*

The amendment strikes out the words underlined above. This removes the qualification that moneys given for weekly transportation are in lieu of moneys given for daily transportation to and from school.

Subsection 3. Subsection 9 at present reads as follows:

(9) *Where a pupil resides with his parent or guardian in a school division in a residence that,*

(*a*) *in a territorial district is fifteen miles or more; or*

(*b*) *in a county is thirty miles or more,*

by road or rail from a secondary school that he attends, or where a pupil resides with his parent or guardian on an island in a school division, the board of the school division of which he is a resident pupil may, in lieu of providing daily transportation to and from the secondary school that he attends, reimburse the parent or guardian at the end of each month for the cost of providing for such pupil, board, lodging, and transportation once a week from his residence to school and return, in an amount set by the board for each day of attendance as certified by the principal of the secondary school that the pupil attends.

The amendment adds the words "or a secondary school district", strikes out the words underlined above and is complementary to the amendment to subsection 7.

SECTION 26.—Subsection 1. The amendment replaces the words "school moneys" with the words "moneys of the board", thereby clarifying the intent that this section be restricted to board funds and not include sums such as student moneys.

Subsection 2. Clause *a* of subsection 5 at present reads as follows:

(*a*) *receive and account for all school moneys.*

The amendment is complementary to the amendment to subsection 4.

SECTION 27. Clause *b* of subsection 3 at present reads as follows:

(*b*) *who is the clerk or treasurer of a county or municipality, including a metropolitan or regional municipality and The District Municipality of Muskoka, all or part of which is included in the area of jurisdiction of the board.*

The amendment restricts a deputy clerk or a deputy treasurer from being elected to or acting as a member of a board.

SECTION 28. Subsection 1 at present reads as follows:

(*1*) *In this section, "board" means a divisional board and a county or district combined separate school board.*

The amendment makes the provisions respecting auditors apply to all boards.

SECTION 29. The new sections 205*a*, 205*b* and 205*c* provide that moneys raised by local taxation for the payment of salaries and wages of teachers and other employees of a board that were not paid by reason of a strike or lock-out if not excluded from the estimates of the board in the same year must be placed in a reserve and taken into account in the estimates of the following year for the purpose of reducing the board's requirements.

Section 205*a* deals with boards other than those in The Municipality of Metropolitan Toronto, as indicated in subsection 1.

Subsection 2 provides that moneys are to be placed in a reserve for the purpose of reducing the requirements of the board in the next year.

Subsection 3 provides that where a board affected by a strike or lock-out submits its requisition to a municipality in respect of the amount of its estimates for school purposes, that requisition must be accompanied by a statement setting out the amount of money placed in a reserve or for which allowance has been made in the estimates, as calculated in accordance with the regulations and, where more than one municipality is affected, the portion of such amounts that is to be used to reduce the levy for school purposes for that year in that municipality.

26.—(1) Subsection 4 of section 171 of the said Act is amended by striking out "school moneys and any school money is" in the second and third lines and inserting in lieu thereof "moneys of the board and any of such moneys are". s. 171 (4), amended

(2) Clause *a* of subsection 5 of the said section 171 is repealed and the following substituted therefor: s. 171 (5) (*a*), re-enacted

(*a*) receive and account for all moneys of the board.

27. Clause *b* of subsection 3 of section 192 of the said Act is amended by inserting after "treasurer" in the first line "or deputy clerk or deputy treasurer". s. 192 (3) (*b*), amended

28. Subsection 1 of section 203 of the said Act is repealed. s. 203 (1), repealed

29. The said Act is further amended by adding thereto the following sections: ss. 205*a*-205*c*, enacted

205*a*.—(1) This section does not apply to The Metropolitan Toronto School Board or to a board of education in The Municipality of Metropolitan Toronto. Limitation

(2) Where, in any year commencing with the year 1976, any moneys that were provided in the estimates of a board for payment of salaries and wages of teachers and other employees in relation to employment in that year are not paid by reason of a strike by or lock-out of such teachers and other employees, or any of them, an amount of money calculated in accordance with the regulations shall in that year be placed in a reserve, and the estimates of the board for the next following year shall make due allowance for the amount in the reserve to reduce the sum that would otherwise be required for such following year for public, secondary or separate school purposes, as the case may be. Moneys raised locally not spent for salaries because of strike or lock-out to be used to reduce taxes

(3) When in any year commencing with the year 1976 a board submits to a municipality a requisition of the amount of the board's estimates for public or secondary school purposes to be raised by that municipality or the rates required for separate school purposes in that municipality, the board shall also submit a statement setting out, Statement

(*a*) the amount of money placed in a reserve for which due allowance is made under subsection 2 in that year;

(*b*) where estimates of the board for that year exclude an amount of money that would normally be paid

as salaries and wages of teachers and other employees and that was not paid in that year because of a strike or lock-out of such teachers and other employees, or any of them, that occurred prior to the adoption of the estimates in that year, the amount of money calculated in accordance with the regulations; and

(*c*) the portion of the amounts set out pursuant to clauses *a* and *b* that is applied to reduce the sum required for that year to be raised by that municipality for public, secondary or separate school purposes, as the case may be.

Moneys raised locally not spent for salaries in 1975

1975, c. 72

(4) Where, after the coming into force of *The School Boards and Teachers Collective Negotiations Act, 1975*, any moneys that were provided in the estimates of a board for the year 1975 for the payment of salaries and wages of teachers and other employees were not paid by reason of a strike by or lock-out of such teachers and other employees, or any of them,

(*a*) the estimates of the board for the year 1976 shall make due allowance for such moneys, and the board shall reduce by an amount of money calculated in accordance with the regulations the sum that would otherwise be required to be raised by that municipality for the year 1976 for public, secondary or separate school purposes, as the case may be; and

(*b*) the board, when it submits in the year 1976 to a municipality a requisition of the amount of its estimates for public or secondary school purposes to be raised by that municipality, or the rates required for separate school purposes in that municipality, shall also submit a statement setting out the amount of money applied under clause *a* to reduce the sums required by the board to be raised in that year for public, secondary or separate school purposes, as the case may be, and the portion of such amount that is applied to reduce the sums to be raised for such purposes in that municipality.

Notice

(5) A collector of a municipality to which subsection 3 or 4 applies shall send with the notice of taxes to each ratepayer affected in that municipality a notice showing the amount of money applied to reduce the sum required to be raised in that municipality for public, secondary or

Subsection 4 applies in respect of all strikes and lock-outs that occurred in 1975 after July 18th, 1975, the date upon which *The School Boards and Teachers Collective Negotiations Act, 1975* became law.

Subsection 5 requires the municipal collector to send out with the tax bill a notice informing all affected taxpayers of the amount by which the board's requirements have been reduced and its effect on their mill rate.

Subsection 6 provides that the cost of preparing and printing the notices required under subsection 5 is to be charged back to the board.

Subsection 7 deals with the provision of the statements required under subsections 3 and 4 in respect of territory without municipal organization that is within the jurisdiction of a board, and where, under section 125, a separate school board may collect its own taxes.

Section 205*b* deals with The Metropolitan Toronto School Board and the boards of the area municipalities of Metropolitan Toronto. Because of the unique two-tier structure that affects the operations of school boards and municipal councils in Metropolitan Toronto, special provisions parallel to those in section 205*a* are required.

In section 205*c*, the Minister is given the authority to make regulations providing for the calculation of the amount of money to be placed in a reserve, or to be applied to reduce the amount of money required by a board for its purposes. The application of the regulations makes it possible for consideration to be given to the actual effect of a strike or lock-out upon the financial position of a board.

separate school purposes and the effect of such reduction upon the mill rate.

Cost of preparing notices

(6) Where the collector of a municipality is required to send notices under subsection 5, the municipality shall be reimbursed by the board for the reasonable expenses incurred by that municipality for preparing and printing such notices.

Board providing statements

(7) In the case of,

(*a*) each locality or part of territory without municipal organization that is within the area of jurisdiction of a board; and

(*b*) a separate school board that appoints a collector under section 125,

the board shall provide the statements referred to in subsections 3 and 4 to the officer of the board who performs in the locality or part of territory without municipal organization the duties of a collector in a municipality, or to the collector appointed by the separate school board, as the case may be, and subsection 5 applies *mutatis mutandis* to such officer or collector in respect of the municipality, locality, territory without municipal organization, or part thereof, in which he collects taxes or rates.

Interpretation

205*b*.—(1) For the purposes of this section,

(*a*) "area municipality" means an area municipality as defined in *The Municipality of Metropolitan Toronto Act*; R.S.O. 1970, c. 295

(*b*) "board" means a board of education of an area municipality;

(*c*) "Metropolitan Council" means the council of The Municipality of Metropolitan Toronto;

(*d*) "School Board" means The Metropolitan Toronto School Board.

Moneys raised not spent for salaries because of strike or lock-out to be used to reduce taxes

(2) Where, in any year commencing with the year 1976, any moneys that were provided in the estimates of the School Board for payment of salaries and wages of teachers and other employees in relation to employment in that year by a board or the School Board are not paid by reason of a strike by or lock-out of such teachers and

other employees, or any of them, an amount of money calculated in accordance with the regulations shall in that year be placed in a reserve by the School Board, and the estimates of the School Board for the next following year shall make due allowance for the amount in the reserve to reduce the sum that would otherwise be required for such following year by the School Board for public or secondary school purposes, as the case may be.

Moneys raised not spent for salaries in 1975

1975, c. 72

(3) Where, after the coming into force of *The School Boards and Teachers Collective Negotiations Act, 1975*, any moneys that were provided in the estimates of the School Board for the year 1975 for the payment of salaries and wages of teachers and other employees of a board or the School Board were not paid by reason of a strike by or lock-out of such teachers and other employees, or any of them,

(*a*) the estimates of the School Board for the year 1976 shall make due allowance for such moneys, and the School Board shall reduce by an amount of money calculated in accordance with the regulations the sum that would otherwise be required to be raised for the year 1976 for public or secondary school purposes, as the case may be; and

(*b*) the School Board, when it submits in the year 1976 to the Metropolitan Council its estimates for public and secondary school purposes, shall also submit a statement setting out the amount of money applied under clause *a* to reduce the sums required by the School Board to be raised in that year for public or secondary school purposes.

Information

(4) Each board shall provide to the School Board, at the time required by the School Board, such information as the School Board may require for the purposes of subsections 2 and 3.

Adjustment of monthly instalments

(5) Where in any year the School Board has, by reason of the information given by a board pursuant to subsection 4, placed an amount of money in a reserve under subsection 2, it shall thereafter adjust in the manner determined by the School Board, one or more of the monthly instalments payable to such board in that year under subsection 2 of section 130 of *The Municipality of Metropolitan Toronto Act* so that the amount paid to the board for that year is reduced by the amount placed in the reserve.

R.S.O. 1970, c. 295

Statement

(6) When in any year commencing with the year 1976 the School Board submits to the Metropolitan Council its estimates for public and secondary school purposes, the School Board shall also submit statements setting out for public and for secondary school purposes,

(*a*) the amount of money placed in a reserve for which due allowance is made under subsection 2 in that year; and

(*b*) where estimates of the School Board for that year exclude an amount of money that would normally be paid as salaries and wages of teachers and other employees of a board or the School Board and that was not paid in that year because of a strike or lock-out of such teachers and other employees, or any of them, that occurred prior to the adoption of the estimates in that year, the amount of money calculated in accordance with the regulations.

Idem

(7) The Metropolitan Council, when it levies against an area municipality the amount that it apportions for public school purposes and for secondary school purposes to such area municipality, shall submit a statement setting out the portions of the amounts referred to in clauses *a* and *b* of subsection 6, and in clause *b* of subsection 3, that are applied to reduce the sum required to be raised by the area municipality for public or secondary school purposes, as the case may be.

Notice

(8) The collector of each area municipality shall send with the notice of taxes to each ratepayer affected in that area municipality a notice showing the amount of money applied to reduce the sum required to be raised in that area municipality for public or secondary school purposes and the effect of such reduction upon the mill rate.

Cost of notice

(9) Where the collector of an area municipality is required to send notices under subsection 8 in respect of a statement received from the Metropolitan Council under subsection 7, The Municipality of Metropolitan Toronto shall reimburse the area municipality for the reasonable expenses incurred by that area municipality for preparing and printing such notices, and The Municipality of Metropolitan Toronto shall deduct the total amount of such reimbursements from the sums payable to the School Board under subsection 1 of section 130 of *The Municipality of Metropolitan Toronto Act*. R.S.O. 1970, c. 295

Regulations

205*c*. The Minister, subject to the approval of the Lieutenant Governor in Council, may make regulations, that may be of general or particular application, providing for the calculation of the amounts of money,

(*a*) to be placed in a reserve under subsection 2 of sections 205*a* and 205*b*;

(*b*) to be applied to reduce,

(i) under subsection 4 of section 205*a*, the sum required by a board for public, secondary or separate school purposes, or

(ii) under subsection 3 of section 205*b*, the sum required by the School Board to be raised for public or secondary school purposes; and

(*c*) for the purposes of statements required under clause *b* of subsection 3 of section 205*a* or clause *b* of subsection 6 of section 205*b*.

s. 207 (2), amended

30.—(1) Subsection 2 of section 207 of the said Act is amended by inserting after "section 206" in the first line "and notwithstanding any other Act".

s. 207, amended

(2) The said section 207 is amended by adding thereto the following subsection:

Apportionments

(6) Apportionments of the sums required by a divisional board for secondary school purposes and for public school purposes heretofore made in accordance with regulations made under this section or under section 33 of *The Secondary Schools and Boards of Education Act* are deemed to be valid notwithstanding the provisions of subsection 9 of section 35 of *The Assessment Act*, but this subsection shall not apply so as to render invalid any decision of arbitrators or of the Ontario Municipal Board upon a reference in respect of such apportionments.

R.S.O. 1970, cc. 425, 32

s. 208, amended

31. Section 208 of the said Act is amended by adding thereto the following subsection:

Application to secondary school board

(8) The provisions of this section that apply in respect of the secondary school purposes of a divisional board apply in respect of a secondary school board.

s. 217, amended

32. Section 217 of the said Act is amended by inserting after "organization" in the third line "every secondary school board that has jurisdiction only in territory without municipal organization".

SECTION 30.—Subsection 1. Subsection 2 of section 207 is amended by inserting the words "and notwithstanding any other Act" to clarify the intent that where a regulation is made under this section, such a regulation is to govern the apportionment among municipalities and localities in a school division of the sums required by a divisional board for public school and for secondary school purposes, notwithstanding *The Assessment Act* provisions respecting the assessment of a public utilities commission or *The Municipal Act* provisions respecting the taxes on the receipts of telegraph and telephone companies.

Subsection 2. The new subsection 6 validates apportionments made in accordance with the regulations even though such apportionments may not have been made in accordance with subsection 9 of section 35 of *The Assessment Act*.

SECTION 31. The amendment makes the provisions referred to apply to The James Bay Lowlands Secondary School Board and to any secondary school board that may be established in the future.

SECTION 32. The amendment requires a secondary school board that has jurisdiction only in territory without municipal organization to levy the rates determined for the secondary school board. This is required because of the establishment of The James Bay Lowlands Secondary School Board.

SECTION 33. The amendment to subsection 1 clarifies the intent that the section does not apply to "immersion" classes in French for English-speaking pupils.

SECTION 34. The amendment to subsection 1 is complementary to the amendment to subsection 1 of section 252 of the Act.

SECTION 35. The amendments to clauses *a* and *b* of subsection 1 of section 256 are complementary to the amendment to subsection 1 of section 252 of the Act.

33. Subsection 1 of section 252 of the said Act is amended by adding at the end thereof "of French-speaking pupils". s. 252 (1), amended

34. Subsection 1 of section 255 of the said Act is amended by inserting after "instruction" in the third line "of French-speaking pupils". s. 255 (1), amended

35.—(1) Clause *a* of subsection 1 of section 256 of the said Act is amended by inserting after "instruction" in the fifth line "of French-speaking pupils". s. 256 (1) (*a*), amended

(2) Clause *b* of subsection 1 of the said section 256 is amended by inserting after "instruction" in the third line "of French-speaking pupils". s. 256 (1) (*b*), amended

36.—(1) This Act, except subsection 1 of section 1, subsection 2 of section 3, subsection 2 of section 24 and sections 27, 28 and 30, comes into force on the day it receives Royal Assent. Commencement

(2) Sections 28 and 30 shall be deemed to have come into force on the 1st day of January, 1976. Idem

(3) Subsection 1 of section 1, subsection 2 of section 3, subsection 2 of section 24 and section 27 come into force on the 1st day of January, 1977. Idem

37. This Act may be cited as *The Education Amendment Act, 1976*. Short title



An Act to amend
The Education Act, 1974

1st Reading

May 18th, 1976

2nd Reading

3rd Reading

THE HON. T. L. WELLS
Minister of Education

(*Government Bill*)

1976

BILL 87 **Government Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Education Act, 1974

THE HON. T. L. WELLS
Minister of Education

(Reprinted as amended by the Committee of the Whole House)

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Notes

Section 1.—Subsection 1. The new paragraph 2 removes the detailed method of determining the average daily enrolment for a calendar year from the Act and places it in the regulations.

Subsection 2. This paragraph which defines "prescribed" is no longer required due to the reference to the regulations appearing throughout the Act.

Section 2.—Subsection 1. The new clause *da* authorizes the Minister to establish a book purchase plan.

Subsection 2. The amended clause *f* authorizes the Minister to publish lists that include learning materials.

Subsection 3. The new clause *v* authorizes the Minister to enter into agreements in respect of a learning materials development plan.

The new clause *w* authorizes the Minister to initiate educational research and to make grants for the funding of such research.

The new clause *x* authorizes the Minister to permit boards to establish French language "immersion programs" for English-speaking pupils, and clarifies the authority for establishing such programs subject to requiring English-speaking programs where parents so desire.

BILL 87 **1976**

An Act to amend The Education Act, 1974

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1.—(1) Paragraph 2 of subsection 1 of section 1 of *The Education Act, 1974*, being chapter 109, is repealed and the following substituted therefor: s. 1 (1), par. 2, re-enacted

2. "average daily enrolment" for a calendar year means the average daily enrolment calculated in accordance with the regulations.

(2) Paragraph 37 of subsection 1 of the said section 1 is repealed. s. 1 (1), par. 37, repealed

2.—(1) Subsection 1 of section 8 of the said Act, as amended by the Statutes of Ontario, 1975, chapter 77, section 1, is further amended by adding thereto the following clause: s. 8 (1), amended

(*da*) purchase and distribute textbooks and other learning materials for use in schools. textbooks and other learning materials

(2) Clause *f* of subsection 1 of the said section 8 is amended by inserting after "textbooks" in the second line "learning materials". s. 8 (1) (*f*), amended

(3) Subsection 1 of the said section 8 is further amended by adding thereto the following clauses: s. 8 (1), amended

(*v*) enter into an agreement with any board, person or organization in respect of the development and production of learning materials, and pay all or part of the costs in connection therewith; agreements concerning learning materials

(*w*) initiate educational research and make grants to a board, an individual, a voluntary association or a corporation for educational research programs, activities or projects to promote the advancement of education; educational research and grants for promotion of advancement of education

discretion to establish French-language programs for English-speaking pupils

(*x*) permit a board to establish for English-speaking pupils programs involving varying degrees of the use of the French language in instruction, provided that programs in which English is the language of instruction are made available to pupils whose parents desire such programs for their children.

s. 10 (3) (*c*) (ii), re-enacted

3.—(1) Subclause ii of clause *c* of subsection 3 of section 10 of the said Act is repealed and the following substituted therefor:

(ii) requiring the approval of the Minister to any amount of money, enrolment or rate used in determining the amount of such grants.

s. 10 (3), amended

(2) Subsection 3 of the said section 10 is amended by adding thereto the following clause:

(*f*) prescribing the method of calculating average daily enrolment.

s. 10 (8) (*f*), re-enacted

(3) Clause *f* of subsection 8 of the said section 10 is repealed and the following substituted therefor:

fees for courses

(*f*) prescribing the fees to be paid for courses provided by the Ministry for teachers, principals and supervisory officers or any class thereof.

s. 10 (8) (*h*), re-enacted

(4) Clause *h* of subsection 8 of the said section 10 is repealed and the following substituted therefor:

tuition fee teachers' college

(*h*) requiring the payment of a tuition fee by students attending a teachers' college, fixing the amount and manner of payment thereof and prescribing the conditions under which a student is entitled to a refund of the fee or part thereof.

s. 11, amended

4. Section 11 of the said Act is amended by adding thereto the following subsection:

Agreements with Canada re learning materials

(4) The Crown in right of Ontario, represented by the Minister, may enter into an agreement with the Crown in right of Canada in respect of the development and production of learning materials and the sharing of the costs thereof.

s. 38, re-enacted

5. Section 38 of the said Act is repealed and the following substituted therefor:

SECTION 3.—Subsection 1. The provision re-enacted at present reads as follows:

(*ii*) *requiring the approval of the Minister to any amount of money or rate determined by the application of any word or expression defined.*

The re-enactment permits the making of a regulation to require the enrolment used in determining the amount of a grant to be approved by the Minister.

Subsection 2. The new clause *f* is complementary to the amendment in section 1 of this Bill and permits the method of calculating average daily enrolment to be prescribed by regulation.

Subsection 3. The provision re-enacted at present reads as follows:

(*f*) *prescribing the fees to be paid for courses provided by the Ministry for teachers, principals and supervisory officers.*

The re-enactment permits a different fee to be prescribed for certain classes of teachers, principals and supervisory officers.

Subsection 4. The provision re-enacted at present reads as follows:

(*h*) *requiring the payment of a tuition fee by students attending a teachers' college and fixing the amount and manner of payment thereof.*

The re-enactment permits the prescribing of conditions under which a student is entitled to a refund of teachers' college tuition fees.

SECTION 4. The new subsection 4 gives the Minister the authority to enter into an agreement with Canada relative to learning materials.

SECTION 5. The re-enactment of section 38 adds the words "qualified to be" throughout the provision where reference is made to a resident pupil and is more appropriate as the reference is meant to include a person qualified to be a resident pupil as well as a resident pupil.

SECTION 6. The amendment to section 41 is complementary to the re-enactment of section 38.

Resident pupil

38.—(1) Subject to subsections 2 and 3, a person who is qualified to be a resident pupil of a secondary school district has the right to attend any secondary school,

(*a*) that is more accessible to him than any secondary school in the secondary school district of which he is qualified to be a resident pupil;

(*b*) to take, for the purpose of obtaining the secondary school honour graduation diploma, a subject or subjects not available in the secondary school district of which he is qualified to be a resident pupil but required by him for admission to any university or teacher-training course or for entry into any trade, profession or calling;

(*c*) to take a program of study that includes the subject of French for French-speaking pupils in the intermediate or senior division and that is not available in the secondary school district of which he is qualified to be a resident pupil, where such program of study is required by him for admission to any university or teacher-training course or for entry into any trade, profession or calling; or

(*d*) to take a program in a French-language school or class if a French-language school or class is not provided by the board of the secondary school district of which he is qualified to be a resident pupil.

Restrictions

(2) Subsection 1 applies to a person who is qualified to be a resident pupil of a secondary school district only if the appropriate supervisory officer certifies that there is adequate accommodation for him in the school.

Where agreement between boards

(3) Clauses *b*, *c* and *d* of subsection 1 do not apply to a person who is qualified to be a resident pupil of a secondary school district if the board of the secondary school district has entered into an agreement with another secondary school board under section 160 and the programs and subjects referred to in such clauses are offered in the schools covered by the agreement.

6. Section 41 of the said Act is amended by inserting after "be" where it occurs the second time in the ninth line "qualified to be". s. 41, amended

s. 43, re-enacted

7. Section 43 of the said Act is repealed and the following substituted therefor:

Admission of ward, etc., of children's aid society or training school to an elementary school

43.—(1) A child who is a ward of a children's aid society or in the care of a children's aid society or a ward of a training school, and who is otherwise qualified to be admitted to an elementary school, shall be admitted without the payment of a fee to an elementary school operated by the board of the school section or separate school zone, as the case may be, in which the child resides.

Admission of ward, etc., of children's aid society or training school to a secondary school

(2) A child who is a ward of a children's aid society or in the care of a children's aid society or a ward of a training school, and who is otherwise qualified to be admitted to a secondary school, shall be admitted without the payment of a fee to a secondary school operated by the board of the secondary school district in which the child resides.

s. 46 (1, 2, 5), re-enacted

8. Subsections 1, 2 and 5 of section 46 of the said Act are repealed and the following substituted therefor:

Fees payable

(1) Where a person qualified to be a resident pupil of a secondary school district attends a secondary school that he has a right to attend under subsection 1 of section 38, the board of the secondary school district of which he is qualified to be a resident pupil shall pay to the board that operates the secondary school attended by the pupil a fee calculated in accordance with the regulations.

Idem

(2) Where a person qualified to be a resident pupil of a school division attends a public or secondary school in another school division under section 45, the divisional board of which he is qualified to be a resident pupil shall pay to the divisional board that operates the school attended by the pupil a fee calculated in accordance with the regulations.

. . . . .

Admission of qualified non-resident pupil

(5) A board may admit to a school that it operates a person whose admission with or without the payment of a fee is not otherwise provided for in this Act but who, except as to residence, is qualified to attend such school, and may, at its discretion, require the payment by or on behalf of the person of a fee calculated in accordance with the regulations.

s. 57 (6) (*b*), re-enacted

9. Clause *b* of subsection 6 of section 57 of the said Act is repealed and the following substituted therefor:

SECTION 7. The re-enactment of section 43 adds the words "or a ward of a training school" and thereby extends the right to attend school without paying a fee to wards of a training school who are transferred to a foster home from the training school.

SECTION 8. The re-enactment of subsections 1 and 2 adds the words "qualified to be" to resident pupil and are complementary to the re-enactment of section 38.

The re-enactment of subsection 5 adds the words "whose admission with or without the payment of a fee is not otherwise provided for in this Act but" and clarifies the intention that this subsection is not to apply to a person for whom admission with or without fee is otherwise provided.

SECTION 9. The re-enactment ensures that in the Regional Municipality of Peel the Town of Caledon shall have two members on The Peel Board of Education and the total membership on such Board is increased from twenty to twenty-one.

SECTION 10. Subsection 2, exclusive of the clauses, at present reads as follows:

(2) *In respect of the territorial districts, the Lieutenant Governor in Council may, by regulation, on or before the 1st day of July in any year, to be effective on the 1st day of January next following,*

. . . . . .

The amendment strikes out the words underlined above and removes the requirement that action be taken in respect of the formation or alteration of a district school area before the 1st day of July to be effective on the 1st day of January next following.

SECTION 11. Subsection 1 at present reads as follows:

(1) *In sections 62, 63 and 64, "public school elector" means in respect of territory without municipal organization, owners and tenants of property in such territory without municipal organization, including their spouses who are Canadian citizens or British subjects and of the full age of eighteen years and who are not separate school supporters.*

The re-enactment clarifies the intention of the subsection to make the subsection apply to owners and tenants as well as to the spouses of such owners and tenants.

SECTION 12. The amendment to subsection 2 adds the words "including notice of any resolution required to be approved by the electors" and requires prior notice of a proposed change in the method of election of members of the board to be given where the proposal is to come before an annual meeting.

SECTION 13. The amendment to subsection 2 corrects a reference.

SECTION 14. The amendment to subsection 2 corrects a reference.

(*b*) of the county or district municipalities shall be the number of members determined under subsection 4 less the total number of members determined under clause *a* for the city or cities, if any, but in no case shall the number of members to be elected under this clause be fewer than,

(i) one, or

(ii) two where the school division comprises a regional municipality in which there are fewer than four municipalities.

10.—(1) Subsection 2 of section 60 of the said Act is amended by striking out "on or before the 1st day of July in any year, to be effective on the 1st day of January next following" in the second, third and fourth lines. s. 60 (2), amended

(2) Subsection 4 of the said section 60 is repealed. s. 60 (4), repealed

11. Subsection 1 of section 62 of the said Act is repealed and the following substituted therefor: s. 62 (1), re-enacted

(1) In sections 62, 63 and 64, "public school electors" in respect of territory without municipal organization means, Public school electors

(*a*) owners and tenants of property in such territory without municipal organization; and

(*b*) the spouses of such owners and tenants,

who are Canadian citizens or British subjects and of the full age of eighteen years and who are not separate school supporters.

12. Subsection 2 of section 63 of the said Act is amended by inserting after "meeting" in the second line "including notice of any resolution required to be approved by the electors". s. 63 (2), amended

13. Subsection 2 of section 64 of the said Act is amended by striking out "7" in the third line and inserting in lieu thereof "2". s. 64 (2), amended

14. Subsection 2 of section 65 of the said Act is amended by striking out "3" in the first line and inserting in lieu thereof "4". s. 65 (2), amended

s. 83 (5) (*b*), amended

15. Clause *b* of subsection 5 of section 83 of the said Act is amended by inserting after "*subsection 2*" in the fourth line "*or by the board*".

s. 84 (2), amended

16. Subsection 2 of section 84 of the said Act is amended by inserting after "*section 83*" in the seventh line "*or by the board*".

s. 102 (1) (*c*), amended

17. Clause *c* of subsection 1 of section 102 of the said Act is amended by striking out "annually on or before the 1st day of December" in the first and second lines.

s. 103, amended

18.—(1) Section 103 of the said Act is amended by adding thereto the following subsection:

Dissolution of board

(2*a*) Where an area that is designated under clause *a* of subsection 2 includes the centre of an existing separate school zone, the board of such zone is dissolved effective upon such date as may be set out in the regulation designating the area.

s. 103 (3), re-enacted

(2) Subsection 3 of the said section 103 is repealed and the following substituted therefor:

Establishment of boards

(3) A separate school board shall be established for each county and district combined separate school zone and except where otherwise provided under section 103*a*, the trustees of the board shall be elected and the board organized in accordance with sections 110 to 112.

s. 103*a*, enacted

19. The said Act is amended by adding thereto the following section:

Designation of a combined separate school board as a district combined separate school board

103*a*.—(1) Where the board of a combined separate school zone in the territorial districts applies to the Minister to have the zone made a district combined separate school zone and the board become a district combined separate school board, the Lieutenant Governor in Council on the recommendation of the Minister may, by regulation, designate such zone as a district combined separate school zone, and upon such designation,

(*a*) the board of the combined separate school zone is dissolved and a separate school board for the district combined separate school zone is established, composed of the trustees of the board of the combined separate school zone who shall remain in office as trustees of the board of the district combined separate school zone until the board is

SECTION 15. The amendment to clause *b* of subsection 5 of section 83 directs the insertion of either the name selected for the board or the name subsequently selected by the board and approved by the Minister in relation to the selecting of a corporate name for a Roman Catholic separate school board in one or more townships.

SECTION 16. The amendment to subsection 2 of section 84 is in respect of boards in an unorganized territory and is similar to the amendment to clause *b* of subsection 5 of section 83.

SECTION 17. Clause *c* at present reads as follows:

> (*c*) *to appoint annually on or before the 1st day of December an auditor or auditors.*

The amendment is complementary to the amendment to section 203 (section 28 of the Bill) which makes the provisions respecting auditors apply to all boards.

SECTION 18.—Subsection 1. The new subsection 2*a* provides for the dissolution of a separate school board where the zone is included in a designated area.

Subsection 2. Subsection 3 at present reads as follows:

> (*3*) *A separate school board shall be established for each county and district combined separate school zone, and the trustees of the board shall be elected and the board organized in accordance with sections 110 to 112.*

The re-enactment adds the words "except where otherwise provided under section 103*a*" and is complementary to section 103*a*.

SECTION 19. Subsection 1 of the new section 103*a* makes provision for a combined separate school zone to be designated a district combined separate school zone and provides for the transfer of jurisdiction from the board of the combined separate school zone to the board of the district combined separate school zone.

Subsection 2 permits the number and distribution of trustees of the district combined separate school board to be varied from that in section 110 of the Act.

SECTION 20. The amendment to subsection 19 is complementary to the amendment to subsection 2 of the new section 103*a*.

SECTION 21. Paragraph 14 at present reads as follows:

14. ascertain and report to the Ministry at least once in each year the names and ages of all children of compulsory school age within its jurisdiction who are not enrolled in any school or private school and the reasons therefor.

The amendment adds the words "in the manner required by the Minister" and so provides for the Minister to prescribe the manner in which the board is to report the names and ages of children of compulsory school age within its jurisdiction who are not enrolled in any school or private school and the reasons therefor.

SECTION 22.—Subsection 1. Paragraph 8 at present reads as follows:

8. enter into an agreement in respect of the use of a computer or a system of computer programming.

The re-enactment clarifies the intent that agreements are to be restricted to computers or systems of computer programming to be used by the board.

Subsection 2. The new paragraph 45 permits a board to purchase public liability insurance in respect of any risk, loss or liability. This is in addition to the liability insurance a board is required to purchase in relation to its pupils under paragraph 8 of section 146.

organized following the next regular election of trustees;

(*b*) all property, including the employment contracts of the employees, of the combined separate school board becomes vested in the district combined separate school board; and

(*c*) all debts, contracts, agreements and liabilities of the combined separate school board become obligations of the district combined separate school board,

and except as provided by or under this section, the provisions of this Act shall apply in respect of the district combined separate school board and the zone designated under this section as if the designation of the zone and the formation of the board had been made under section 103.

Trustee representation

(2) For the purpose of an election of trustees of a district combined separate school board established under subsection 1, the Lieutenant Governor in Council may, by regulation, exempt the district combined separate school board from the provisions of subsections 2 to 18 of section 110 and provide for the number of trustees to be elected to the board and the city, district municipality or district municipalities to be represented by each trustee.

s. 110 (19), amended

20. Subsection 19 of section 110 of the said Act is amended by striking out "it is determined under this section that" in the fifth line.

s. 146, par. 14, re-enacted

21. Paragraph 14 of section 146 of the said Act is repealed and the following substituted therefor:

report children not enrolled

14. ascertain and report to the Ministry at least once in each year in the manner required by the Minister the names and ages of all children of compulsory school age within its jurisdiction who are not enrolled in any school or private school and the reasons therefor.

s. 147 (1), par. 8, re-enacted

22.—(1) Paragraph 8 of subsection 1 of section 147 of the said Act is repealed and the following substituted therefor:

computer programming

8. in lieu of purchasing a computer or system of computer programming, enter into an agreement for the use thereof by the board.

s. 147 (1), amended

(2) Subsection 1 of the said section 147 is amended by adding thereto the following paragraph:

insurance

45. provide for insurance against risks that may involve pecuniary loss or liability on the part of the board, and for paying premiums therefor.

s. 156 (1) (*a*, *b*), re-enacted

23. Clauses *a* and *b* of subsection 1 of section 156 of the said Act are repealed and the following substituted therefor:

(*a*) accommodation and equipment for administrative purposes;

(*b*) accommodation and equipment for instructional purposes.

s. 162, amended

24.—(1) Section 162 of the said Act is amended by adding thereto the following subsection:

Exception re subss. 4-8

(8*a*) Where a regulation made under clause *a* of subsection 2 of section 67 provides for the appointment of one or more members to represent on the board the interests of Indian pupils, subsections 4 to 8 do not apply.

s. 162, amended

(2) The said section 162 is further amended by adding thereto the following subsection:

Representative of Indian pupils on Roman Catholic separate school board to be Roman Catholic

(10) Where a person is chosen by a band to represent the interests of Indian pupils on a Roman Catholic separate school board, such person shall be a Roman Catholic and of the full age of eighteen years.

s. 163 (1), amended

25.—(1) Subsection 1 of section 163 of the said Act is amended by striking out "and" at the end of clause *a*, by adding "and" at the end of clause *b* and by adding thereto the following clause:

(*c*) a child over two years of age who may, under the regulations, be admitted to a program for hearing-handicapped children,

. . . . .

s. 163 (7), amended

(2) Subsection 7 of the said section 163 is amended by striking out "in lieu of providing daily transportation to and from school under subsection 1" in the fifth, sixth and seventh lines.

s. 163 (9), re-enacted

(3) Subsection 9 of the said section 163 is repealed and the following substituted therefor:

Idem

(9) Where a pupil resides with his parent or guardian in a school division or a secondary school district in a residence that,

SECTION 23. The clauses re-enacted at present read as follows:

(*a*) *accommodation for administrative purposes;*

(*b*) *accommodation for instructional purposes.*

The re-enactment adds the words "and equipment" to each clause and so expands the board's authority to enter into agreements to include agreements for the use of equipment.

SECTION 24.—Subsection 1. The new subsection 8*a* provides that where a regulation provides for the formation and composition of a secondary school board that includes members to represent Indian pupils, subsections 4 to 8 of this section dealing with the appointment of representatives of Indian pupils to that board do not apply.

Subsection 2. The new subsection 10 requires that an Indian appointee to a Roman Catholic separate school board be a Roman Catholic and is consistent with the requirement that an elected trustee of such board be a Roman Catholic.

SECTION 25.—Subsection 1. The new clause *c* permits a board to provide transportation for hearing-handicapped children who are admitted under the regulation to a program for such children.

Subsection 2. Subsection 7 at present reads as follows:

(7) *Where a pupil resides in a school section or separate school zone in a territorial district but not in a school division with his parent or guardian in a residence that is fifteen miles or more by road or rail from a secondary school that he is eligible to attend, an elementary school board may, in lieu of providing daily transportation to and from school under subsection 1, reimburse the parent or guardian at the end of each month for the cost of providing for such pupil, board, lodging, and transportation once a week from his residence to school and return, in an amount set by the board for each day of attendance as certified by the principal of the secondary school that the pupil attends.*

The amendment strikes out the words underlined above. This removes the qualification that moneys given for weekly transportation are in lieu of moneys given for daily transportation to and from school.

Subsection 3. Subsection 9 at present reads as follows:

(9) *Where a pupil resides with his parent or guardian in a school division in a residence that,*

(*a*) *in a territorial district is fifteen miles or more; or*

(*b*) *in a county is thirty miles or more,*

by road or rail from a secondary school that he attends, or where a pupil resides with his parent or guardian on an island in a school division, the board of the school division of which he is a resident pupil may, in lieu of providing daily transportation to and from the secondary school that he attends, reimburse the parent or guardian at the end of each month for the cost of providing for such pupil, board, lodging, and transportation once a week from his residence to school and return, in an amount set by the board for each day of attendance as certified by the principal of the secondary school that the pupil attends.

The amendment adds the words "or a secondary school district", strikes out the words underlined above and is complementary to the amendment to subsection 7.

SECTION 26.—Subsection 1. The amendment replaces the words "school moneys" with the words "moneys of the board", thereby clarifying the intent that this section be restricted to board funds and not include sums such as student moneys.

Subsection 2. Clause *a* of subsection 5 at present reads as follows:

(*a*) *receive and account for all school moneys.*

The amendment is complementary to the amendment to subsection 4.

SECTION 27. Clause *b* of subsection 3 at present reads as follows:

(*b*) *who is the clerk or treasurer of a county or municipality, including a metropolitan or regional municipality and The District Municipality of Muskoka, all or part of which is included in the area of jurisdiction of the board.*

The amendment restricts a deputy clerk or a deputy treasurer from being elected to or acting as a member of a board.

SECTION 28. Subsection 1 at present reads as follows:

(*1*) *In this section, "board" means a divisional board and a county or district combined separate school board.*

The amendment makes the provisions respecting auditors apply to all boards.

SECTION 29. The new sections 205*a*, 205*b* and 205*c* provide that moneys raised by local taxation for the payment of salaries and wages of teachers and other employees of a board that were not paid by reason of a strike or lock-out if not excluded from the estimates of the board in the same year must be placed in a reserve and taken into account in the estimates of the following year for the purpose of reducing the board's requirements.

Section 205*a* deals with boards other than those in The Municipality of Metropolitan Toronto, as indicated in subsection 1.

Subsection 2 provides that moneys are to be placed in a reserve for the purpose of reducing the requirements of the board in the next year.

(*a*) in a territorial district is fifteen miles or more; or

(*b*) in a county is thirty miles or more,

by road or rail from a secondary school that he attends, or where a pupil resides with his parent or guardian on an island in a school division or a secondary school district the board of the school division or secondary school district of which he is a resident pupil may reimburse the parent or guardian at the end of each month for the cost of providing for such pupil, board, lodging, and transportation once a week from his residence to school and return, in an amount set by the board for each day of attendance as certified by the principal of the secondary school that the pupil attends.

26.—(1) Subsection 4 of section 171 of the said Act is amended by striking out "school moneys and any school money is" in the second and third lines and inserting in lieu thereof "moneys of the board and any of such moneys are". s. 171 (4), amended

(2) Clause *a* of subsection 5 of the said section 171 is repealed and the following substituted therefor: s. 171 (5) (*a*), re-enacted

(*a*) receive and account for all moneys of the board.

27. Clause *b* of subsection 3 of section 192 of the said Act is amended by inserting after "treasurer" in the first line "or deputy clerk or deputy treasurer". s. 192 (3) (*b*), amended

28. Subsection 1 of section 203 of the said Act is repealed. s. 203 (1), repealed

29. The said Act is further amended by adding thereto the following sections: ss. 205*a*-205*c*, enacted

205*a*.—(1) This section does not apply to The Metropolitan Toronto School Board or to a board of education in The Municipality of Metropolitan Toronto. Limitation

(2) Where, in any year commencing with the year 1976, any moneys that were provided in the estimates of a board for payment of salaries and wages of teachers and other employees in relation to employment in that year are not paid by reason of a strike by or lock-out of such teachers and other employees, or any of them, an amount of money calculated in accordance with the regulations shall in that year be placed in a reserve, and the estimates of the board for the next following year shall make due allowance for the amount in the reserve to reduce the sum Moneys raised locally not spent for salaries because of strike or lock-out to be used to reduce taxes

that would otherwise be required for such following year for public, secondary or separate school purposes, as the case may be.

Statement

(3) When in any year commencing with the year 1976 a board submits to a municipality a requisition of the amount of the board's estimates for public or secondary school purposes to be raised by that municipality or the rates required for separate school purposes in that municipality, the board shall also submit a statement setting out,

(*a*) the amount of money placed in a reserve for which due allowance is made under subsection 2 in that year;

(*b*) where estimates of the board for that year exclude an amount of money that would normally be paid as salaries and wages of teachers and other employees and that was not paid in that year because of a strike or lock-out of such teachers and other employees, or any of them, that occurred prior to the adoption of the estimates in that year, the amount of money calculated in accordance with the regulations; and

(*c*) the portion of the amounts set out pursuant to clauses *a* and *b* that is applied to reduce the sum required for that year to be raised by that municipality for public, secondary or separate school purposes, as the case may be.

Moneys raised locally not spent for salaries in 1975

1975, c. 72

(4) Where, after the coming into force of *The School Boards and Teachers Collective Negotiations Act, 1975*, any moneys that were provided in the estimates of a board for the year 1975 for the payment of salaries and wages of teachers and other employees were not paid by reason of a strike by or lock-out of such teachers and other employees, or any of them,

(*a*) the estimates of the board for the year 1976 shall make due allowance for such moneys, and the board shall reduce by an amount of money calculated in accordance with the regulations the sum that would otherwise be required to be raised by the municipalities for the year 1976 for public, secondary or separate school purposes, as the case may be; and

(*b*) the board, when it submits in the year 1976 to a municipality a requisition of the amount of its estimates for public or secondary school purposes

Subsection 3 provides that where a board affected by a strike or lock-out submits its requisition to a municipality in respect of the amount of its estimates for school purposes, that requisition must be accompanied by a statement setting out the amount of money placed in a reserve or for which allowance has been made in the estimates, as calculated in accordance with the regulations and, where more than one municipality is affected, the portion of such amounts that is to be used to reduce the levy for school purposes for that year in that municipality.

Subsection 4 applies in respect of all strikes and lock-outs that occurred in 1975 after July 18th, 1975, the date upon which *The School Boards and Teachers Collective Negotiations Act, 1975* became law.

Subsection 5 requires the municipal collector to send out with the tax bill a notice informing all affected taxpayers of the amount by which the board's requirements have been reduced and its effect on their mill rate.

Subsection 6 provides that the cost of preparing and printing the notices required under subsection 5 is to be charged back to the board.

Subsection 7 deals with the provision of the statements required under subsections 3 and 4 in respect of territory without municipal organization that is within the jurisdiction of a board, and where, under section 125, a separate school board may collect its own taxes.

Section 205*b* deals with The Metropolitan Toronto School Board and the boards of the area municipalities of Metropolitan Toronto. Because of the unique two-tier structure that affects the operations of school boards and municipal councils in Metropolitan Toronto, special provisions parallel to those in section 205*a* are required.

In section 205*c*, the Minister is given the authority to make regulations providing for the calculation of the amount of money to be placed in a reserve, or to be applied to reduce the amount of money required by a board for its purposes. The application of the regulations makes it possible for consideration to be given to the actual effect of a strike or lock-out upon the financial position of a board.

to be raised by that municipality, or the rates required for separate school purposes in that municipality, shall also submit a statement setting out the amount of money applied under clause *a* to reduce the sums required by the board to be raised in that year for public, secondary or separate school purposes, as the case may be, and the portion of such amount that is applied to reduce the sums to be raised for such purposes in that municipality.

Notice

(5) A collector of a municipality to which subsection 3 or 4 applies shall send with the notice of taxes to each ratepayer affected in that municipality a notice showing the amount of money applied to reduce the sum required to be raised in that municipality for public, secondary or separate school purposes and the effect of such reduction upon the mill rate.

Cost of preparing notices

(6) Where the collector of a municipality is required to send notices under subsection 5, the municipality shall be reimbursed by the board for the reasonable expenses incurred by that municipality for preparing and printing such notices.

Board providing statements

(7) In the case of,

(*a*) each locality or part of territory without municipal organization that is within the area of jurisdiction of a board; and

(*b*) a separate school board that appoints a collector under section 125,

the board shall provide the statements referred to in subsections 3 and 4 to the officer of the board who performs in the locality or part of territory without municipal organization the duties of a collector in a municipality, or to the collector appointed by the separate school board, as the case may be, and subsection 5 applies *mutatis mutandis* to such officer or collector in respect of the municipality, locality, territory without municipal organization, or part thereof, in which he collects taxes or rates.

Interpretation

205*b*.—(1) For the purposes of this section,

(*a*) "area municipality" means an area municipality as defined in *The Municipality of Metropolitan Toronto Act*; R.S.O. 1970, c. 295

(*b*) "board" means a board of education of an area municipality;

(*c*) "Metropolitan Council" means the council of The Municipality of Metropolitan Toronto;

(*d*) "School Board" means The Metropolitan Toronto School Board.

Moneys raised not spent for salaries because of strike or lock-out to be used to reduce taxes

(2) Where, in any year commencing with the year 1976, any moneys that were provided in the estimates of the School Board for payment of salaries and wages of teachers and other employees in relation to employment in that year by a board or the School Board are not paid by reason of a strike by or lock-out of such teachers and other employees, or any of them, an amount of money calculated in accordance with the regulations shall in that year be placed in a reserve by the School Board, and the estimates of the School Board for the next following year shall make due allowance for the amount in the reserve to reduce the sum that would otherwise be required for such following year by the School Board for public or secondary school purposes, as the case may be.

Moneys raised not spent for salaries in 1975

1975, c. 72

(3) Where, after the coming into force of *The School Boards and Teachers Collective Negotiations Act, 1975*, any moneys that were provided in the estimates of the School Board for the year 1975 for the payment of salaries and wages of teachers and other employees of a board or the School Board were not paid by reason of a strike by or lock-out of such teachers and other employees, or any of them,

(*a*) the estimates of the School Board for the year 1976 shall make due allowance for such moneys, and the School Board shall reduce by an amount of money calculated in accordance with the regulations the sum that would otherwise be required to be raised for the year 1976 for public or secondary school purposes, as the case may be; and

(*b*) the School Board, when it submits in the year 1976 to the Metropolitan Council its estimates for public and secondary school purposes, shall also submit a statement setting out the amount of money applied under clause *a* to reduce the sums required by the School Board to be raised in that year for public or secondary school purposes.

(4) Each board shall provide to the School Board, at the time required by the School Board, such information as the School Board may require for the purposes of subsections 2 and 3. Information

(5) Where in any year the School Board has, by reason of the information given by a board pursuant to subsection 4, placed an amount of money in a reserve under subsection 2, it shall thereafter adjust in the manner determined by the School Board, one or more of the monthly instalments payable to such board in that year under subsection 2 of section 130 of *The Municipality of Metropolitan Toronto Act* so that the amount paid to the board for that year is reduced by the amount placed in the reserve. Adjustment of monthly instalments R.S.O. 1970, c. 295

(6) When in any year commencing with the year 1976 the School Board submits to the Metropolitan Council its estimates for public and secondary school purposes, the School Board shall also submit statements setting out for public and for secondary school purposes, Statement

(*a*) the amount of money placed in a reserve for which due allowance is made under subsection 2 in that year; and

(*b*) where estimates of the School Board for that year exclude an amount of money that would normally be paid as salaries and wages of teachers and other employees of a board or the School Board and that was not paid in that year because of a strike or lock-out of such teachers and other employees, or any of them, that occurred prior to the adoption of the estimates in that year, the amount of money calculated in accordance with the regulations.

(7) The Metropolitan Council, when it levies against an area municipality the amount that it apportions for public school purposes and for secondary school purposes to such area municipality, shall submit a statement setting out the portions of the amounts referred to in clauses *a* and *b* of subsection 6, and in clause *b* of subsection 3, that are applied to reduce the sum required to be raised by the area municipality for public or secondary school purposes, as the case may be. Idem

(8) The collector of each area municipality shall send with the notice of taxes to each ratepayer affected in that area municipality a notice showing the amount of money Notice

applied to reduce the sum required to be raised in that area municipality for public or secondary school purposes and the effect of such reduction upon the mill rate.

Cost of notice

(9) Where the collector of an area municipality is required to send notices under subsection 8 in respect of a statement received from the Metropolitan Council under subsection 7, The Municipality of Metropolitan Toronto shall reimburse the area municipality for the reasonable expenses incurred by that area municipality for preparing and printing such notices, and The Municipality of Metropolitan Toronto shall deduct the total amount of such reimbursements from the sums payable to the School Board under subsection 1 of section 130 of *The Municipality of Metropolitan Toronto Act*.

R.S.O. 1970, c. 295

Regulations

205*c*. The Minister, subject to the approval of the Lieutenant Governor in Council, may make regulations, that may be of general or particular application, providing for the calculation of the amounts of money,

(*a*) to be placed in a reserve under subsection 2 of sections 205*a* and 205*b*;

(*b*) to be applied to reduce,

(i) under subsection 4 of section 205*a*, the sum required by a board for public, secondary or separate school purposes, or

(ii) under subsection 3 of section 205*b*, the sum required by the School Board to be raised for public or secondary school purposes; and

(*c*) for the purposes of statements required under clause *b* of subsection 3 of section 205*a* or clause *b* of subsection 6 of section 205*b*.

s. 207 (2), amended

30.—(1) Subsection 2 of section 207 of the said Act is amended by inserting after "section 206" in the first line "and notwithstanding any other Act".

s. 207, amended

(2) The said section 207 is amended by adding thereto the following subsection:

Apportionments

(6) Apportionments of the sums required by a divisional board for secondary school purposes and for public school purposes heretofore made in accordance with regulations made under this section or under section 33 of *The Secondary Schools and Boards of Education Act* are deemed to be valid notwithstanding the provisions of subsection 9 of section 35

R.S.O. 1970, cc. 425, 32

SECTION 30.—Subsection 1. Subsection 2 of section 207 is amended by inserting the words "and notwithstanding any other Act" to clarify the intent that where a regulation is made under this section, such a regulation is to govern the apportionment among municipalities and localities in a school division of the sums required by a divisional board for public school and for secondary school purposes, notwithstanding *The Assessment Act* provisions respecting the assessment of a public utilities commission or *The Municipal Act* provisions respecting the taxes on the receipts of telegraph and telephone companies.

Subsection 2. The new subsection 6 validates apportionments made in accordance with the regulations even though such apportionments may not have been made in accordance with subsection 9 of section 35 of *The Assessment Act*.

SECTION 31. The amendment makes the provisions referred to apply to The James Bay Lowlands Secondary School Board and to any secondary school board that may be established in the future.

SECTION 32. The amendment requires a secondary school board that has jurisdiction only in territory without municipal organization to levy the rates determined for the secondary school board. This is required because of the establishment of The James Bay Lowlands Secondary School Board.

SECTION 33. The amendment to subsection 1 clarifies the intent that the section does not apply to "immersion" classes in French for English-speaking pupils.

SECTION 34. The amendment to subsection 1 is complementary to the amendment to subsection 1 of section 252 of the Act.

SECTION 35. The amendments to clauses *a* and *b* of subsection 1 of section 256 are complementary to the amendment to subsection 1 of section 252 of the Act.

of *The Assessment Act*, but this subsection shall not apply so as to render invalid any decision of arbitrators or of the Ontario Municipal Board upon a reference in respect of such apportionments.

31. Section 208 of the said Act is amended by adding thereto the following subsection: s. 208, amended

(8) The provisions of this section that apply in respect of the secondary school purposes of a divisional board apply in respect of a secondary school board. Application to secondary school board

32. Section 217 of the said Act is amended by inserting after "organization" in the third line "every secondary school board that has jurisdiction only in territory without municipal organization". s. 217, amended

33. Subsection 1 of section 252 of the said Act is amended by adding at the end thereof "of French-speaking pupils". s. 252 (1), amended

34. Subsection 1 of section 255 of the said Act is amended by inserting after "instruction" in the third line "of French-speaking pupils". s. 255 (1), amended

35.—(1) Clause *a* of subsection 1 of section 256 of the said Act is amended by inserting after "instruction" in the fifth line "of French-speaking pupils". s. 256 (1) (*a*), amended

(2) Clause *b* of subsection 1 of the said section 256 is amended by inserting after "instruction" in the third line "of French-speaking pupils". s. 256 (1) (*b*), amended

36.—(1) This Act, except subsection 1 of section 1, subsection 2 of section 3, subsection 2 of section 24 and sections 27, 28 and 30, comes into force on the day it receives Royal Assent. Commencement

(2) Sections 28 and 30 shall be deemed to have come into force on the 1st day of January, 1976. Idem

(3) Subsection 1 of section 1, subsection 2 of section 3, subsection 2 of section 24 and section 27 come into force on the 1st day of January, 1977. Idem

37. This Act may be cited as *The Education Amendment Act, 1976*. Short title



An Act to amend
The Education Act, 1974

1st Reading

May 18th, 1976

2nd Reading

June 1st, 1976

3rd Reading

THE HON. T. L. WELLS
Minister of Education

(Reprinted as amended by the Committee of the Whole House)

1976

BILL 87

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Education Act, 1974

THE HON. T. L. WELLS
Minister of Education

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 87 **1976**

An Act to amend The Education Act, 1974

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1.—(1) Paragraph 2 of subsection 1 of section 1 of *The Education Act, 1974*, being chapter 109, is repealed and the following substituted therefor: s. 1 (1), par. 2, re-enacted

2. "average daily enrolment" for a calendar year means the average daily enrolment calculated in accordance with the regulations.

(2) Paragraph 37 of subsection 1 of the said section 1 is repealed. s. 1 (1), par. 37, repealed

2.—(1) Subsection 1 of section 8 of the said Act, as amended by the Statutes of Ontario, 1975, chapter 77, section 1, is further amended by adding thereto the following clause: s. 8 (1), amended

(*da*) purchase and distribute textbooks and other learning materials for use in schools. textbooks and other learning materials

(2) Clause *f* of subsection 1 of the said section 8 is amended by inserting after "textbooks" in the second line "learning materials". s. 8 (1) (*f*), amended

(3) Subsection 1 of the said section 8 is further amended by adding thereto the following clauses: s. 8 (1), amended

(*v*) enter into an agreement with any board, person or organization in respect of the development and production of learning materials, and pay all or part of the costs in connection therewith; agreements concerning learning materials

(*w*) initiate educational research and make grants to a board, an individual, a voluntary association or a corporation for educational research programs, activities or projects to promote the advancement of education; educational research and grants for promotion of advancement of education

discretion to establish French-language programs for English-speaking pupils

(*x*) permit a board to establish for English-speaking pupils programs involving varying degrees of the use of the French language in instruction, provided that programs in which English is the language of instruction are made available to pupils whose parents desire such programs for their children.

s. 10 (3) (*c*) (ii), re-enacted

3.—(1) Subclause ii of clause *c* of subsection 3 of section 10 of the said Act is repealed and the following substituted therefor:

(ii) requiring the approval of the Minister to any amount of money, enrolment or rate used in determining the amount of such grants.

s. 10 (3), amended

(2) Subsection 3 of the said section 10 is amended by adding thereto the following clause:

(*f*) prescribing the method of calculating average daily enrolment.

s. 10 (8) (*f*), re-enacted

(3) Clause *f* of subsection 8 of the said section 10 is repealed and the following substituted therefor:

fees for courses

(*f*) prescribing the fees to be paid for courses provided by the Ministry for teachers, principals and supervisory officers or any class thereof.

s. 10 (8) (*h*), re-enacted

(4) Clause *h* of subsection 8 of the said section 10 is repealed and the following substituted therefor:

tuition fee teachers' college

(*h*) requiring the payment of a tuition fee by students attending a teachers' college, fixing the amount and manner of payment thereof and prescribing the conditions under which a student is entitled to a refund of the fee or part thereof.

s. 11, amended

4. Section 11 of the said Act is amended by adding thereto the following subsection:

Agreements with Canada re learning materials

(4) The Crown in right of Ontario, represented by the Minister, may enter into an agreement with the Crown in right of Canada in respect of the development and production of learning materials and the sharing of the costs thereof.

s. 38, re-enacted

5. Section 38 of the said Act is repealed and the following substituted therefor:

Resident pupil

38.—(1) Subject to subsections 2 and 3, a person who is qualified to be a resident pupil of a secondary school district has the right to attend any secondary school,

(*a*) that is more accessible to him than any secondary school in the secondary school district of which he is qualified to be a resident pupil;

(*b*) to take, for the purpose of obtaining the secondary school honour graduation diploma, a subject or subjects not available in the secondary school district of which he is qualified to be a resident pupil but required by him for admission to any university or teacher-training course or for entry into any trade, profession or calling;

(*c*) to take a program of study that includes the subject of French for French-speaking pupils in the intermediate or senior division and that is not available in the secondary school district of which he is qualified to be a resident pupil, where such program of study is required by him for admission to any university or teacher-training course or for entry into any trade, profession or calling; or

(*d*) to take a program in a French-language school or class if a French-language school or class is not provided by the board of the secondary school district of which he is qualified to be a resident pupil.

Restrictions

(2) Subsection 1 applies to a person who is qualified to be a resident pupil of a secondary school district only if the appropriate supervisory officer certifies that there is adequate accommodation for him in the school.

Where agreement between boards

(3) Clauses *b*, *c* and *d* of subsection 1 do not apply to a person who is qualified to be a resident pupil of a secondary school district if the board of the secondary school district has entered into an agreement with another secondary school board under section 160 and the programs and subjects referred to in such clauses are offered in the schools covered by the agreement.

6. Section 41 of the said Act is amended by inserting after "be" where it occurs the second time in the ninth line "qualified to be". s. 41, amended

s. 43, re-enacted

7. Section 43 of the said Act is repealed and the following substituted therefor:

Admission of ward, etc., of children's aid society or training school to an elementary school

43.—(1) A child who is a ward of a children's aid society or in the care of a children's aid society or a ward of a training school, and who is otherwise qualified to be admitted to an elementary school, shall be admitted without the payment of a fee to an elementary school operated by the board of the school section or separate school zone, as the case may be, in which the child resides.

Admission of ward, etc., of children's aid society or training school to a secondary school

(2) A child who is a ward of a children's aid society or in the care of a children's aid society or a ward of a training school, and who is otherwise qualified to be admitted to a secondary school, shall be admitted without the payment of a fee to a secondary school operated by the board of the secondary school district in which the child resides.

s. 46 (1, 2, 5), re-enacted

8. Subsections 1, 2 and 5 of section 46 of the said Act are repealed and the following substituted therefor:

Fees payable

(1) Where a person qualified to be a resident pupil of a secondary school district attends a secondary school that he has a right to attend under subsection 1 of section 38, the board of the secondary school district of which he is qualified to be a resident pupil shall pay to the board that operates the secondary school attended by the pupil a fee calculated in accordance with the regulations.

Idem

(2) Where a person qualified to be a resident pupil of a school division attends a public or secondary school in another school division under section 45, the divisional board of which he is qualified to be a resident pupil shall pay to the divisional board that operates the school attended by the pupil a fee calculated in accordance with the regulations.

. . . . .

Admission of qualified non-resident pupil

(5) A board may admit to a school that it operates a person whose admission with or without the payment of a fee is not otherwise provided for in this Act but who, except as to residence, is qualified to attend such school, and may, at its discretion, require the payment by or on behalf of the person of a fee calculated in accordance with the regulations.

s. 57 (6) (*b*), re-enacted

9. Clause *b* of subsection 6 of section 57 of the said Act is repealed and the following substituted therefor:

(*b*) of the county or district municipalities shall be the number of members determined under subsection 4 less the total number of members determined under clause *a* for the city or cities, if any, but in no case shall the number of members to be elected under this clause be fewer than,

(i) one, or

(ii) two where the school division comprises a regional municipality in which there are fewer than four municipalities.

10.—(1) Subsection 2 of section 60 of the said Act is amended by striking out "on or before the 1st day of July in any year, to be effective on the 1st day of January next following" in the second, third and fourth lines. s. 60 (2), amended

(2) Subsection 4 of the said section 60 is repealed. s. 60 (4), repealed

11. Subsection 1 of section 62 of the said Act is repealed and the following substituted therefor: s. 62 (1), re-enacted

(1) In sections 62, 63 and 64, "public school electors" in respect of territory without municipal organization means, Public school electors

(*a*) owners and tenants of property in such territory without municipal organization; and

(*b*) the spouses of such owners and tenants,

who are Canadian citizens or British subjects and of the full age of eighteen years and who are not separate school supporters.

12. Subsection 2 of section 63 of the said Act is amended by inserting after "meeting" in the second line "including notice of any resolution required to be approved by the electors". s. 63 (2), amended

13. Subsection 2 of section 64 of the said Act is amended by striking out "7" in the third line and inserting in lieu thereof "2". s. 64 (2), amended

14. Subsection 2 of section 65 of the said Act is amended by striking out "3" in the first line and inserting in lieu thereof "4". s. 65 (2), amended

s. 83 (5) (*b*), amended

15. Clause *b* of subsection 5 of section 83 of the said Act is amended by inserting after "*subsection 2*" in the fourth line "*or by the board*".

s. 84 (2), amended

16. Subsection 2 of section 84 of the said Act is amended by inserting after "*section 83*" in the seventh line "*or by the board*".

s. 102 (1) (*c*), amended

17. Clause *c* of subsection 1 of section 102 of the said Act is amended by striking out "annually on or before the 1st day of December" in the first and second lines.

s. 103, amended

18.—(1) Section 103 of the said Act is amended by adding thereto the following subsection:

Dissolution of board

(2*a*) Where an area that is designated under clause *a* of subsection 2 includes the centre of an existing separate school zone, the board of such zone is dissolved effective upon such date as may be set out in the regulation designating the area.

s. 103 (3), re-enacted

(2) Subsection 3 of the said section 103 is repealed and the following substituted therefor:

Establishment of boards

(3) A separate school board shall be established for each county and district combined separate school zone and except where otherwise provided under section 103*a*, the trustees of the board shall be elected and the board organized in accordance with sections 110 to 112.

s. 103*a*, enacted

19. The said Act is amended by adding thereto the following section:

Designation of a combined separate school board as a district combined separate school board

103*a*.—(1) Where the board of a combined separate school zone in the territorial districts applies to the Minister to have the zone made a district combined separate school zone and the board become a district combined separate school board, the Lieutenant Governor in Council on the recommendation of the Minister may, by regulation, designate such zone as a district combined separate school zone, and upon such designation,

(*a*) the board of the combined separate school zone is dissolved and a separate school board for the district combined separate school zone is established, composed of the trustees of the board of the combined separate school zone who shall remain in office as trustees of the board of the district combined separate school zone until the board is

organized following the next regular election of trustees;

(*b*) all property, including the employment contracts of the employees, of the combined separate school board becomes vested in the district combined separate school board; and

(*c*) all debts, contracts, agreements and liabilities of the combined separate school board become obligations of the district combined separate school board,

and except as provided by or under this section, the provisions of this Act shall apply in respect of the district combined separate school board and the zone designated under this section as if the designation of the zone and the formation of the board had been made under section 103.

Trustee representation

(2) For the purpose of an election of trustees of a district combined separate school board established under subsection 1, the Lieutenant Governor in Council may, by regulation, exempt the district combined separate school board from the provisions of subsections 2 to 18 of section 110 and provide for the number of trustees to be elected to the board and the city, district municipality or district municipalities to be represented by each trustee.

s. 110 (19), amended

20. Subsection 19 of section 110 of the said Act is amended by striking out "it is determined under this section that" in the fifth line.

s. 146, par. 14, re-enacted

21. Paragraph 14 of section 146 of the said Act is repealed and the following substituted therefor:

report children not enrolled

14. ascertain and report to the Ministry at least once in each year in the manner required by the Minister the names and ages of all children of compulsory school age within its jurisdiction who are not enrolled in any school or private school and the reasons therefor.

s. 147 (1), par. 8, re-enacted

22.—(1) Paragraph 8 of subsection 1 of section 147 of the said Act is repealed and the following substituted therefor:

computer programming

8. in lieu of purchasing a computer or system of computer programming, enter into an agreement for the use thereof by the board.

s. 147 (1), amended

(2) Subsection 1 of the said section 147 is amended by adding thereto the following paragraph:

insurance

45. provide for insurance against risks that may involve pecuniary loss or liability on the part of the board, and for paying premiums therefor.

s. 156 (1) (*a*, *b*), re-enacted

23. Clauses *a* and *b* of subsection 1 of section 156 of the said Act are repealed and the following substituted therefor:

(*a*) accommodation and equipment for administrative purposes;

(*b*) accommodation and equipment for instructional purposes.

s. 162, amended

24.—(1) Section 162 of the said Act is amended by adding thereto the following subsection:

Exception re subss. 4-8

(8*a*) Where a regulation made under clause *a* of subsection 2 of section 67 provides for the appointment of one or more members to represent on the board the interests of Indian pupils, subsections 4 to 8 do not apply.

s. 162, amended

(2) The said section 162 is further amended by adding thereto the following subsection:

Representative of Indian pupils on Roman Catholic separate school board to be Roman Catholic

(10) Where a person is chosen by a band to represent the interests of Indian pupils on a Roman Catholic separate school board, such person shall be a Roman Catholic and of the full age of eighteen years.

s. 163 (1), amended

25.—(1) Subsection 1 of section 163 of the said Act is amended by striking out "and" at the end of clause *a*, by adding "and" at the end of clause *b* and by adding thereto the following clause:

(*c*) a child over two years of age who may, under the regulations, be admitted to a program for hearing-handicapped children,

. . . . .

s. 163 (7), amended

(2) Subsection 7 of the said section 163 is amended by striking out "in lieu of providing daily transportation to and from school under subsection 1" in the fifth, sixth and seventh lines.

s. 163 (9), re-enacted

(3) Subsection 9 of the said section 163 is repealed and the following substituted therefor:

Idem

(9) Where a pupil resides with his parent or guardian in a school division or a secondary school district in a residence that,

(*a*) in a territorial district is fifteen miles or more; or

(*b*) in a county is thirty miles or more,

by road or rail from a secondary school that he attends, or where a pupil resides with his parent or guardian on an island in a school division or a secondary school district the board of the school division or secondary school district of which he is a resident pupil may reimburse the parent or guardian at the end of each month for the cost of providing for such pupil, board, lodging, and transportation once a week from his residence to school and return, in an amount set by the board for each day of attendance as certified by the principal of the secondary school that the pupil attends.

26.—(1) Subsection 4 of section 171 of the said Act is amended by striking out "school moneys and any school money is" in the second and third lines and inserting in lieu thereof "moneys of the board and any of such moneys are". s. 171 (4), amended

(2) Clause *a* of subsection 5 of the said section 171 is repealed and the following substituted therefor: s. 171 (5) (*a*), re-enacted

(*a*) receive and account for all moneys of the board.

27. Clause *b* of subsection 3 of section 192 of the said Act is amended by inserting after "treasurer" in the first line "or deputy clerk or deputy treasurer". s. 192 (3) (*b*), amended

28. Subsection 1 of section 203 of the said Act is repealed. s. 203 (1), repealed

29. The said Act is further amended by adding thereto the following sections: ss. 205*a*-205*c*, enacted

205*a*.—(1) This section does not apply to The Metropolitan Toronto School Board or to a board of education in The Municipality of Metropolitan Toronto. Limitation

(2) Where, in any year commencing with the year 1976, any moneys that were provided in the estimates of a board for payment of salaries and wages of teachers and other employees in relation to employment in that year are not paid by reason of a strike by or lock-out of such teachers and other employees, or any of them, an amount of money calculated in accordance with the regulations shall in that year be placed in a reserve, and the estimates of the board for the next following year shall make due allowance for the amount in the reserve to reduce the sum Moneys raised locally not spent for salaries because of strike or lock-out to be used to reduce taxes

that would otherwise be required for such following year for public, secondary or separate school purposes, as the case may be.

Statement

(3) When in any year commencing with the year 1976 a board submits to a municipality a requisition of the amount of the board's estimates for public or secondary school purposes to be raised by that municipality or the rates required for separate school purposes in that municipality, the board shall also submit a statement setting out,

(*a*) the amount of money placed in a reserve for which due allowance is made under subsection 2 in that year;

(*b*) where estimates of the board for that year exclude an amount of money that would normally be paid as salaries and wages of teachers and other employees and that was not paid in that year because of a strike or lock-out of such teachers and other employees, or any of them, that occurred prior to the adoption of the estimates in that year, the amount of money calculated in accordance with the regulations; and

(*c*) the portion of the amounts set out pursuant to clauses *a* and *b* that is applied to reduce the sum required for that year to be raised by that municipality for public, secondary or separate school purposes, as the case may be.

Moneys raised locally not spent for salaries in 1975

1975, c. 72

(4) Where, after the coming into force of *The School Boards and Teachers Collective Negotiations Act, 1975*, any moneys that were provided in the estimates of a board for the year 1975 for the payment of salaries and wages of teachers and other employees were not paid by reason of a strike by or lock-out of such teachers and other employees, or any of them,

(*a*) the estimates of the board for the year 1976 shall make due allowance for such moneys, and the board shall reduce by an amount of money calculated in accordance with the regulations the sum that would otherwise be required to be raised by the municipalities for the year 1976 for public, secondary or separate school purposes, as the case may be; and

(*b*) the board, when it submits in the year 1976 to a municipality a requisition of the amount of its estimates for public or secondary school purposes

to be raised by that municipality, or the rates required for separate school purposes in that municipality, shall also submit a statement setting out the amount of money applied under clause *a* to reduce the sums required by the board to be raised in that year for public, secondary or separate school purposes, as the case may be, and the portion of such amount that is applied to reduce the sums to be raised for such purposes in that municipality.

Notice

(5) A collector of a municipality to which subsection 3 or 4 applies shall send with the notice of taxes to each ratepayer affected in that municipality a notice showing the amount of money applied to reduce the sum required to be raised in that municipality for public, secondary or separate school purposes and the effect of such reduction upon the mill rate.

Cost of preparing notices

(6) Where the collector of a municipality is required to send notices under subsection 5, the municipality shall be reimbursed by the board for the reasonable expenses incurred by that municipality for preparing and printing such notices.

Board providing statements

(7) In the case of,

(*a*) each locality or part of territory without municipal organization that is within the area of jurisdiction of a board; and

(*b*) a separate school board that appoints a collector under section 125,

the board shall provide the statements referred to in subsections 3 and 4 to the officer of the board who performs in the locality or part of territory without municipal organization the duties of a collector in a municipality, or to the collector appointed by the separate school board, as the case may be, and subsection 5 applies *mutatis mutandis* to such officer or collector in respect of the municipality, locality, territory without municipal organization, or part thereof, in which he collects taxes or rates.

Interpretation

205*b*.—(1) For the purposes of this section,

(*a*) "area municipality" means an area municipality as defined in *The Municipality of Metropolitan Toronto Act*; R.S.O. 1970, c. 295

(*b*) "board" means a board of education of an area municipality;

(*c*) "Metropolitan Council" means the council of The Municipality of Metropolitan Toronto;

(*d*) "School Board" means The Metropolitan Toronto School Board.

Moneys raised not spent for salaries because of strike or lock-out to be used to reduce taxes

(2) Where, in any year commencing with the year 1976, any moneys that were provided in the estimates of the School Board for payment of salaries and wages of teachers and other employees in relation to employment in that year by a board or the School Board are not paid by reason of a strike by or lock-out of such teachers and other employees, or any of them, an amount of money calculated in accordance with the regulations shall in that year be placed in a reserve by the School Board, and the estimates of the School Board for the next following year shall make due allowance for the amount in the reserve to reduce the sum that would otherwise be required for such following year by the School Board for public or secondary school purposes, as the case may be.

Moneys raised not spent for salaries in 1975

1975, c. 72

(3) Where, after the coming into force of *The School Boards and Teachers Collective Negotiations Act, 1975*, any moneys that were provided in the estimates of the School Board for the year 1975 for the payment of salaries and wages of teachers and other employees of a board or the School Board were not paid by reason of a strike by or lock-out of such teachers and other employees, or any of them,

(*a*) the estimates of the School Board for the year 1976 shall make due allowance for such moneys, and the School Board shall reduce by an amount of money calculated in accordance with the regulations the sum that would otherwise be required to be raised for the year 1976 for public or secondary school purposes, as the case may be; and

(*b*) the School Board, when it submits in the year 1976 to the Metropolitan Council its estimates for public and secondary school purposes, shall also submit a statement setting out the amount of money applied under clause *a* to reduce the sums required by the School Board to be raised in that year for public or secondary school purposes.

(4) Each board shall provide to the School Board, at the time required by the School Board, such information as the School Board may require for the purposes of subsections 2 and 3. Information

(5) Where in any year the School Board has, by reason of the information given by a board pursuant to subsection 4, placed an amount of money in a reserve under subsection 2, it shall thereafter adjust in the manner determined by the School Board, one or more of the monthly instalments payable to such board in that year under subsection 2 of section 130 of *The Municipality of Metropolitan Toronto Act* so that the amount paid to the board for that year is reduced by the amount placed in the reserve. Adjustment of monthly instalments R.S.O. 1970, c. 295

(6) When in any year commencing with the year 1976 the School Board submits to the Metropolitan Council its estimates for public and secondary school purposes, the School Board shall also submit statements setting out for public and for secondary school purposes, Statement

(*a*) the amount of money placed in a reserve for which due allowance is made under subsection 2 in that year; and

(*b*) where estimates of the School Board for that year exclude an amount of money that would normally be paid as salaries and wages of teachers and other employees of a board or the School Board and that was not paid in that year because of a strike or lock-out of such teachers and other employees, or any of them, that occurred prior to the adoption of the estimates in that year, the amount of money calculated in accordance with the regulations.

(7) The Metropolitan Council, when it levies against an area municipality the amount that it apportions for public school purposes and for secondary school purposes to such area municipality, shall submit a statement setting out the portions of the amounts referred to in clauses *a* and *b* of subsection 6, and in clause *b* of subsection 3, that are applied to reduce the sum required to be raised by the area municipality for public or secondary school purposes, as the case may be. Idem

(8) The collector of each area municipality shall send with the notice of taxes to each ratepayer affected in that area municipality a notice showing the amount of money Notice

applied to reduce the sum required to be raised in that area municipality for public or secondary school purposes and the effect of such reduction upon the mill rate.

Cost of notice

(9) Where the collector of an area municipality is required to send notices under subsection 8 in respect of a statement received from the Metropolitan Council under subsection 7, The Municipality of Metropolitan Toronto shall reimburse the area municipality for the reasonable expenses incurred by that area municipality for preparing and printing such notices, and The Municipality of Metropolitan Toronto shall deduct the total amount of such reimbursements from the sums payable to the School Board under subsection 1 of section 130 of *The Municipality of Metropolitan Toronto Act*.

R.S.O. 1970, c. 295

Regulations

205*c*. The Minister, subject to the approval of the Lieutenant Governor in Council, may make regulations, that may be of general or particular application, providing for the calculation of the amounts of money,

(*a*) to be placed in a reserve under subsection 2 of sections 205*a* and 205*b*;

(*b*) to be applied to reduce,

(i) under subsection 4 of section 205*a*, the sum required by a board for public, secondary or separate school purposes, or

(ii) under subsection 3 of section 205*b*, the sum required by the School Board to be raised for public or secondary school purposes; and

(*c*) for the purposes of statements required under clause *b* of subsection 3 of section 205*a* or clause *b* of subsection 6 of section 205*b*.

s. 207 (2), amended

30.—(1) Subsection 2 of section 207 of the said Act is amended by inserting after "section 206" in the first line "and notwithstanding any other Act".

s. 207, amended

(2) The said section 207 is amended by adding thereto the following subsection:

Apportionments

(6) Apportionments of the sums required by a divisional board for secondary school purposes and for public school purposes heretofore made in accordance with regulations made under this section or under section 33 of *The Secondary Schools and Boards of Education Act* are deemed to be valid notwithstanding the provisions of subsection 9 of section 35

R.S.O. 1970, cc. 425, 32

of *The Assessment Act*, but this subsection shall not apply so as to render invalid any decision of arbitrators or of the Ontario Municipal Board upon a reference in respect of such apportionments.

31. Section 208 of the said Act is amended by adding thereto the following subsection: s. 208, amended

(8) The provisions of this section that apply in respect of the secondary school purposes of a divisional board apply in respect of a secondary school board. Application to secondary school board

32. Section 217 of the said Act is amended by inserting after "organization" in the third line "every secondary school board that has jurisdiction only in territory without municipal organization". s. 217, amended

33. Subsection 1 of section 252 of the said Act is amended by adding at the end thereof "of French-speaking pupils". s. 252 (1), amended

34. Subsection 1 of section 255 of the said Act is amended by inserting after "instruction" in the third line "of French-speaking pupils". s. 255 (1), amended

35.—(1) Clause *a* of subsection 1 of section 256 of the said Act is amended by inserting after "instruction" in the fifth line "of French-speaking pupils". s. 256 (1) (*a*), amended

(2) Clause *b* of subsection 1 of the said section 256 is amended by inserting after "instruction" in the third line "of French-speaking pupils". s. 256 (1) (*b*), amended

36.—(1) This Act, except subsection 1 of section 1, subsection 2 of section 3, subsection 2 of section 24 and sections 27, 28 and 30, comes into force on the day it receives Royal Assent. Commencement

(2) Sections 28 and 30 shall be deemed to have come into force on the 1st day of January, 1976. Idem

(3) Subsection 1 of section 1, subsection 2 of section 3, subsection 2 of section 24 and section 27 come into force on the 1st day of January, 1977. Idem

37. This Act may be cited as *The Education Amendment Act, 1976*. Short title

An Act to amend
The Education Act, 1974

1st Reading

May 18th, 1976

2nd Reading

June 1st, 1976

3rd Reading

June 22nd, 1976

THE HON. T. L. WELLS
Minister of Education

1976

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Mental Health Act

MR. SMITH (Simcoe East)

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

The purpose of this Bill is to amend *The Mental Health Act* to provide a system of structured programming under security conditions for mental retardation residents who have a history of psychosociopathic behavior.

BILL 88 **1976**

An Act to amend The Mental Health Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1.—(1) Section 7 of *The Mental Health Act*, being chapter 269 of the Revised Statutes of Ontario, 1970, is amended by adding thereto the following subsection: s. 7, amended

(2) Every pyschiatric facility shall set aside sufficient separate space for the observation, care and treatment of mentally retarded patients. Facilities for mentally retarded persons

2. This Act comes into force on the day it receives Royal Assent. Commencement

3. This Act may be cited as *The Mental Health Amendment Act, 1976*. Short title

An Act to amend
The Mental Health Act

1st Reading

May 20th, 1976

2nd Reading

3rd Reading

MR. SMITH (Simcoe East)

(*Private Member's Bill*)

1976

BILL 89 **Government Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Municipal Act

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and Minister of Economics and Intergovernmental Affairs

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTES

SECTION 1. Paragraph 13*a* of section 1 presently reads as follows:

13a. "Minister" means the Treasurer of Ontario and Minister of Economics and Intergovernmental Affairs except that in sections 443 and 461 "Minister" means the Minister of Housing.

The effect of the amendment is to designate the Minister of Housing rather than the Treasurer as the Minister without whose approval no highway less than 66 feet or more than 100 feet in width may be laid out in any municipality.

SECTION 2. Section 35 presently reads as follows:

35. Every person is qualified to hold office as a member of a council of a local municipality,

(a) whose name is entered on the polling list of electors for election of members of the council; and

(b) who is not disqualified by this or any other Act from holding such office.

The amendment adds as an eligible member of council any person who possesses on or before nomination day a certificate of the clerk of the municipality authorizing his name to be entered on the polling list.

SECTION 3. Subsection 2 of section 207 presently reads as follows:

(2) If a vacancy occurs in the office of controller, the council, at a meeting called for that purpose, shall appoint a person to fill the vacancy for the unexpired term of the member whose seat has become vacant.

The repeal of the subsection will enable the council of a municipality to exercise the option afforded under section 45 of the Act of requiring an election to be held to fill a vacancy that has occurred in the office of controller; that alternative to appointing a person to fill the vacancy now obtains in respect of any other office on council.

SECTION 4. Section 250 authorizes approved pension plans to be provided for employees of municipalities and local boards; the amendments are to the same effect as those recently made to *The Ontario Municipal Employees Retirement System Act* in Bill 27 by permitting "optional service" as defined by the new clause *ca* added by subsection 1 to be taken into account. The amendments in subsections 2 and 3 are consequent upon that amendment in subsection 1.

BILL 89 **1976**

An Act to amend The Municipal Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Paragraph 13*a* of section 1 of *The Municipal Act*, being chapter 284 of the Revised Statutes of Ontario, 1970, as enacted by the Statutes of Ontario, 1972, chapter 124, section 1 and amended by 1973, chapter 175, section 1, is further amended by inserting after "443" in the amendment of 1973 "450". s. 1, par. 13*a*, amended

2. Section 35 of the said Act, as re-enacted by the Statutes of Ontario, 1972, chapter 121, section 9, is repealed and the following substituted therefor: s. 35, re-enacted

35. Every person is qualified to hold office as a member of a council of a local municipality, Qualification of candidates

(*a*) whose name is entered on the polling list of electors for election of members of the council or who is entitled to have his name entered on such list by virtue of possessing, on or before nomination day, a certificate issued to him under section 31 of *The Municipal Elections Act*, 1972; and 1972, c. 95

(*b*) who is not disqualified by this or any other Act from holding such office.

3. Subsection 2 of section 207 of the said Act is repealed. s. 207 (2), repealed

4.—(1) Subsection 1 of section 250 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 175, section 2, is further amended by adding thereto the following clause: s. 250 (1), amended

(*ca*) "optional service" means,

(i) service with any municipality or local board in Canada,

(ii) service with the civil service of Canada or of any province of Canada,

(iii) service with the staff of any board, commission or public institution established under any Act of Canada or any province of Canada, or

(iv) war service.

s. 250 (1) (*d*), re-enacted

(2) Clause *d* of subsection 1 of the said section 250, as re-enacted by the Statutes of Ontario, 1973, chapter 175, section 2, is repealed and the following substituted therefor:

(*d*) "service" means employment of an employee by a municipality or local board and may include optional service;

(*da*) "war service" means active service during World War II or the Korean War,

(i) in His or Her Majesty's naval, army or air forces or in the Canadian or British Merchant Marine, or

(ii) in any naval, army or air force that was allied with His or Her Majesty's forces and that is designated by the Lieutenant Governor in Council,

providing satisfactory proof of such service is produced.

s. 250 (4), amended

(3) Subsection 4 of the said section 250, as re-enacted by the Statutes of Ontario, 1973, chapter 175, section 2 and amended by 1975, chapter 56, section 2, is further amended by striking out "with the municipality or local board" in the ninth and tenth lines.

s. 288 (6), amended

5.—(1) Subsection 6 of section 288 of the said Act is amended by striking out "at one time and" in the first line.

s. 288, amended

(2) The said section 288 is amended by adding thereto the following subsection:

All debentures rank equally

(19) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest

SECTION 5.—Subsection 1. Subsection 6 presently provides that all debentures issued by a municipality that are authorized by the same by-law be issued at the same time. The amendment deletes that requirement; similar amendments are included in Bills 54 and 55 that amend *The Municipality of Metropolitan Toronto Act* and the various regional municipality Acts respectively.

Subsection 2. The amendment provides that all debentures issued by a municipality rank equally regardless of the date of issue or the date of maturity.

SECTION 6. Clause *b* presently reads as follows:

(*b*) *in securities issued by the United States of America.*

The amendment broadens the class of securities mentioned in which sinking fund moneys may be invested.

SECTION 7. Presently, term debentures may only be issued by a municipality with the approval of the Treasurer of Ontario; the re-enactment of the subsection deletes that condition. There is no other change in the provision.

SECTION 8. Subsection 10 of section 304*a* presently reads as follows:

(*10*) *The clerk of every municipality that levies a tax under this section shall, on or before the 15th day of March in each year, transmit to each body for which the municipality levies a rate, except a separate school board and a county council, a statement of the amount by which the assessment of the municipality is deemed to be increased under subsection 8.*

The reference to a tax is that imposed on telephone and telegraph companies; for apportionment purposes the assessment of a municipality that levies such tax is deemed to be increased by an amount that would have produced such tax. The amendment requires certain additional information to be furnished to the levying bodies for verification purposes.

thereon with all other debentures of the municipality except as to the availability of any sinking funds applicable to any particular issue of debentures.

6. Clause *b* of subsection 5 of section 291 of the said Act is repealed and the following substituted therefor: s. 291 (5) (*b*), re-enacted

(*b*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America.

7. Subsection 1 of section 291*a* of the said Act, as enacted by the Statutes of Ontario, 1972, chapter 124, section 4, is repealed and the following substituted therefor: s. 291*a* (1), re-enacted

(1) Notwithstanding any other provisions of this Act, a local municipality having a population of not less than 20,000 as determined under *The Ontario Unconditional Grants Act, 1975*, may provide in any money by-law for the issuing of debentures that a portion of the debentures to be issued thereunder shall be payable on a fixed date with interest payable annually or semi-annually, in which case such debentures shall be known as term debentures. Term debentures 1975, c. 7

8. Subsection 10 of section 304*a* of the said Act, as re-enacted by the Statutes of Ontario, 1974, chapter 136, section 8, is repealed and the following substituted therefor: s. 304*a* (10), re-enacted

(10) The clerk of every municipality that levies a tax under this section shall, on or before the 15th day of March in each year, transmit to each body for which the municipality levies a rate, except a separate school board and a county council, a statement of the amount by which the assessment of the municipality is deemed to be increased under subsection 8, and where a municipality has, in the preceding year, levied a rate on commercial and industrial assessment in a defined area of the municipality only, the statement of that municipality shall also show, Notification of amount of assessment increase

(*a*) the rates levied in the preceding year for all purposes on the commercial and industrial assessment of public school supporters, including the rates levied on such assessment in defined areas of the municipality only;

(*b*) the whole of the commercial and industrial assessment of public school supporters according to the last revised assessment roll for the preceding year;

(*c*) the commercial and industrial assessment of public school supporters subject to rates levied on assessment in defined areas of the municipality only;

(*d*) the total amount levied in the preceding year for all purposes on the commercial and industrial assessment of public school supporters, including the amounts levied on such assessment in defined areas of the municipality only;

(*e*) the amount levied pursuant to this section in the preceding year; and

(*f*) the rate determined pursuant to subsection 8 for purposes of calculating the amount that would have produced the amount mentioned in clause *e*.

s. 312 (2) (*a*) (iii, iv), re-enacted

9. Subclauses iii and iv of clause *a* of subsection 2 of section 312 of the said Act, as re-enacted by the Statutes of Ontario, 1974, chapter 136, section 12, are repealed and the following substituted therefor:

(iii) term deposits, deposit receipts, deposit notes, certificates of deposit, acceptances and other similar instruments issued, accepted, guaranteed or endorsed by any chartered bank to which the *Bank Act* (Canada) applies,

R.S.C. 1970, c. B-1

(iv) promissory notes of a metropolitan, regional or district municipality, or of a municipality as defined in *The Municipal Affairs Act*, or of a conservation authority established under *The Conservation Authorities Act*; or

R.S.O. 1970, cc. 118, 78

. . . . .

s. 354 (1), par. 50, re-enacted

10. Paragraph 50 of subsection 1 of section 354 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 136, section 15 and 1975 (2nd Session), chapter 11, section 1, is repealed and the following substituted therefor:

Industrial sites

50. For acquiring and expropriating land and selling or leasing the land for the purpose of sites for the establishment and carrying on of industries and of industrial operations and uses incidental thereto.

Application of receipts where debt outstanding

(*a*) Where land has been acquired under this paragraph, and any debt is outstanding in respect of the acquisition of the land or in respect of any services applied to the land,

SECTION 9. Subclauses iii and iv of clause *a* of subsection 2 of section 312 presently read as follows:

(*iii*) *term deposits, deposit receipts, deposit notes, certificates of deposit, acceptances and other similar instruments issued, accepted or endorsed by any chartered bank to which the Bank Act (Canada) applies,*

(*iv*) *loans by way of promissory notes of the borrower to any municipality, or to any local board as defined in The Municipal Affairs Act; or*

. . . . .

They set out some of the types of security in which a municipality may invest moneys not immediately required. The re-enactment of subclause iii adds instruments of the type mentioned that are guaranteed by a bank as authorized investments. The re-enactment of subclause iv clarifies and expands the types of promissory notes in which moneys may be invested.

SECTION 10. Paragraph 50 of subsection 1 of section 354 presently reads as follows:

50. On the vote of three-fourths of all the members of the council, for acquiring and expropriating land and selling or leasing the land for the purpose of sites for the establishment and carrying on of industries and of industrial operations and uses incidental thereto.

(a) Where land has been acquired under The Industrial Sites Act, being chapter 268 of the Revised Statutes of Ontario, 1937, or under this paragraph, and any debt is outstanding in respect of the acquisition of the land or in respect of any services applied to the land, other than services supplied under The Local Improvement Act, all moneys received from the sale or lease of such land shall be used to retire the debt or shall be set aside as a fund to provide for the retirement of the debt unless on the vote of three-fourths of all the members of the council the use of such moneys is directed for another purpose; and, when the debt is retired or the amount in the fund is sufficient to provide for the complete retirement of the debt, the balance of such moneys on hand and any such moneys received thereafter shall be credited to the general funds of the municipality.

(*b*) *Any land acquired under The Industrial Sites Act, being chapter 268 of the Revised Statutes of Ontario, 1937, or under this paragraph may be used by the municipality for the purposes of the municipality or may be sold to any local board, as defined in The Department of Municipal Affairs Act, for the purposes of such board.*

(*c*) *Where it appears to the council that any land acquired under The Industrial Sites Act, being chapter 268 of the Revised Statutes of Ontario, 1937, or under this paragraph is no longer required for the purposes for which it was acquired or for the use of the municipality, the council may sell or dispose of the whole or any part of such lands for any purpose.*

(*d*) *Where land is being acquired or developed in accordance with an agreement entered into between a municipality and a corporation, as defined in The Development Corporations Act, 1973, and the corporation is lending money to the municipality under the terms of such agreement, the municipality may give security therefor to the corporation by way of mortgage on such land or may furnish such other security as the corporation considers appropriate.*

In the re-enactment, the reference to *The Industrial Sites Act* is deleted as obsolete; also removed is the requirement that in certain instances the vote of three-fourths of all the members of council is required to carry a proposal.

SECTION 11. The effect of the re-enactment is to remove the existing requirement of a vote of three-fourths of the members of council in determining to expend sums of money diffusing information respecting the advantages of the municipality as an industrial, business, etc., centre. The principle of the section is otherwise unaltered.

other than services supplied under *The Local Improvement Act*, all moneys received from the sale or lease of such land shall be used to retire the debt or shall be set aside as a fund to provide for the retirement of the debt unless on the vote of the council the use of such moneys is directed for another purpose; and, when the debt is retired or the amount in the fund is sufficient to provide for the complete retirement of the debt, the balance of such moneys on hand and any such moneys received thereafter shall be credited to the general funds of the municipality. R.S.O. 1970, c. 255

(*b*) Any land acquired under this paragraph may be used by the municipality for the purposes of the municipality or may be sold to any local board, as defined in *The Municipal Affairs Act*, for the purposes of such board. Use of land by municipality or sale to local board R.S.O. 1970, c. 118

(*c*) Where it appears to the council that any land acquired under this paragraph is no longer required for the purposes for which it was acquired or for the use of the municipality, the council may sell or dispose of the whole or any part of such lands for any purpose. Disposal of land when no longer required

(*d*) Where land is being acquired or developed in accordance with an agreement entered into between a municipality and a corporation, as defined in *The Development Corporations Act, 1973*, and the corporation is lending money to the municipality under the terms of such agreement, the municipality may give security therefor to the corporation by way of mortgage on such land or may furnish such other security as the corporation considers appropriate. Agreement with development corporation 1973, c. 84

11. Section 395 of the said Act is repealed and the following substituted therefor: s. 395, re-enacted

395.—(1) The council of a municipality may expend in any year such sum as it may determine for the purpose of diffusing information respecting the advantages of the municipality as an industrial, agricultural, business, educational, residential or vacation centre. Expenditures for publicity

Industries department and commissioner

(2) The council of a municipality having a population of not less than 5,000 may pass by-laws for the establishment and maintenance of a department of industries and for appointing a commissioner of industries to bring to the notice of manufacturers and others the advantages of the municipality as an industrial, agricultural, business, educational, residential or vacation centre.

Pooling of funds

(3) Any two or more municipalities may pool their funds and act jointly for the purposes of this section.

s. 472 (1), re-enacted

12. Subsection 1 of section 472 of the said Act, as re-enacted by the Statutes of Ontario, 1972, chapter 121, section 16, is repealed and the following substituted therefor:

Qualification, trustees and electors

(1) No person is qualified to be elected a trustee or to vote at the election thereof unless,

(*a*) his name is entered on the polling list of electors for the office of member of council of the municipality in which the village is situate, in whole or in part, by reason of being a resident or owner or tenant of land situate in the village or the spouse of such owner or tenant; or

(*b*) he is entitled to have his name entered on such polling list by virtue of possessing, on or before nomination day, a certificate issued to him under section 31 of *The Municipal Elections Act, 1972* and he is a resident or the owner or tenant of land situate in the village or the spouse of such owner or tenant.

1972, c. 95

s. 507 (3) (*b*), re-enacted

13.—(1) Clause *b* of subsection 3 of section 507 of the said Act, as re-enacted by the Statutes of Ontario, 1974, chapter 136, section 21, is repealed and the following substituted therefor:

(*b*) 85 per cent of the equalized residential and farm assessment.

s. 507, amended

(2) The said section 507 is amended by adding thereto the following subsections:

Where no certified last revised assessment roll R.S.O. 1970, c. 32

(3*a*) Where the regional registrar of the Assessment Review Court has not certified in any year in accordance with section 47 of *The Assessment Act* the last revised assessment roll of any township, town or village for taxation in that year, the equalized assessment for that year of such municipality for purposes of subsection 2 shall be based on

SECTION 12. Subsection 1 of section 472 presently reads as follows:

(*1*) *No person is qualified to be elected a trustee or to vote at the election thereof unless his name is entered on the polling list of electors for the office of member of council of the municipality in which the village is situate, in whole or in part, by reason of being a resident or the owner or tenant of land situate in the village or the spouse of such owner or tenant.*

The amendment is to the same effect as section 2 of the Bill and permits a person to qualify as trustee of a police village if he possesses on or before nomination day a certificate authorizing his name to be entered on the polling list.

SECTION 13.—Subsection 1. Subsection 3 of section 507, incorporating the proposed amendment, will now read as follows:

(*3*) *For the purposes of subsection 2, the equalized assessment for the year of a municipality shall be the sum of,*

(*a*) *the equivalent equalized assessment; and*

(*b*) *85 per cent of the equalized residential and farm assessment; and*

(*c*) *the equalized commercial assessment.*

The effect of the amendment is to reflect the standard 15 per cent mill rate differential between residential and farm assessment on the one hand and commercial on the other provided for in the levying section of *The Ontario Unconditional Grants Act, 1975*.

Subsection 2. For the purpose of apportioning the county rate, local municipalities are required, under subsection 2 of section 507, to provide to the county a statement of the municipality's equalized assessment. The added subsections 3*a* and 3*b* will permit that statement to be based on the roll as returned to the clerk, rather than the roll as corrected and revised by the Assessment Review Court, with any adjustment required by the roll as finally revised, being made in the following year.

Subsection 3. The re-enactment extends from April 21st to April 24th the time within which the county council may amend its by-law apportioning the county rate.

SECTION 14. The effect of the amendments is to make uniform the percentage charges that may be imposed on taxes in arrears during the year in which they were imposed; similar provision is made in respect of discounts and prepayment of taxes. In all cases the percentage charged, discount given or interest on prepayment allowed is 12 per cent per annum, or such lower rate as the council determines.

the assessment roll as returned to the clerk of such municipality pursuant to section 46 of *The Assessment Act*. R.S.O. 1970, c. 32

(3*b*) Where the equalized assessment of a township, town or village has been computed in accordance with subsection 3*a* and the calculation of the amount required to be provided for county purposes by such municipality pursuant to subsection 4 is based upon that equalized assessment, the clerk of such municipality shall forthwith upon receiving the last revised assessment roll for the municipality for taxation in that year forward a statement of the actual equalized assessment for the municipality to the clerk of the county in which the municipality is located and the clerk of the county shall forthwith adjust accordingly the amount to be provided for county purposes by such municipality pursuant to subsection 4 and any overpayment or underpayment by a municipality shall be subtracted from or added to, as the case may be, the amount required from that municipality for county purposes in the subsequent year pursuant to this section. Adjustment when last revised assessment roll certified

(3) Subsection 7 of the said section 507 is repealed and the following substituted therefor: s. 507 (7), re-enacted

(7) Where the council of the county is of the opinion that the percentage share as set out in the by-law passed under subsection 4 is not just and equitable it may, on or before the 24th day of April, amend the by-law to make an apportionment for county purposes that is just and equitable. Amendment to by-law

14.—(1) Subsection 3 of section 527 of the said Act is repealed and the following substituted therefor: s. 527 (3) re-enacted

(3) The council may by by-law impose a percentage charge as a penalty for non-payment of taxes or any class or instalment thereof not exceeding 12 per cent per annum, or such lower rate as the council determines, from the date payment is due until it is made or until the 31st day of December of the year in which the taxes were levied, whichever is earlier. Penalty for non-payment of taxes

(2) Subsection 4 of the said section 527 is repealed. s. 527 (4), repealed

(3) Subsection 5 of the said section 527 is repealed and the following substituted therefor: s. 527 (5), re-enacted

(5) The council may by by-law authorize the treasurer or collector to receive in any year payments on account of taxes for that year in advance of the day that may be fixed Discount or interest on payments in advance

by by-law for the payment of any instalment of such taxes and,

(*a*) to allow a discount on any taxes so paid in advance at a rate not exceeding 12 per cent per annum and may allow interest at a rate not exceeding 12 per cent per annum on account of taxes so paid in advance for any portion of the period for which no discount is allowed; or

(*b*) to allow interest on taxes paid in advance of the day fixed by by-law for the payment of any instalment of such taxes at a rate not exceeding 12 per cent per annum,

notwithstanding that the taxes for such year have not been levied or that the assessment roll on which such taxes are to be fixed and levied has not been revised and certified by the Assessment Review Court when any such advance payment is made, and a by-law passed under this subsection remains in force from year to year until it is repealed or amended.

s. 553 (1), re-enacted s. 553 (2), repealed

15. Subsections 1 and 2 of section 553 of the said Act are repealed and the following substituted therefor:

Interest on tax arrears

(1) Notwithstanding any special Act, the treasurer, collector, or county treasurer, as the case may be, shall add to the amount of all taxes due and unpaid interest at the rate of 12 per cent per annum, or such lower rate as the council of the local municipality determines, from the 31st day of December in the year in which the taxes were levied until taxes are paid.

Commencement

16.—(1) This Act, except sections 8, 13, 14 and 15, comes into force on the day it receives Royal Assent.

Idem

(2) Sections 8, 13, 14 and 15 come into force on the 1st day of January, 1977.

Short title

17. This Act may be cited as *The Municipal Amendment Act, 1976*.

SECTION 15. The amendment is to the same effect as in section 14 of the Bill in relation to the penalty charged on taxes in arrears after the end of the year in which they were imposed.



An Act to amend
The Municipal Act

1st Reading

May 25th, 1976

2nd Reading

3rd Reading

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and
Minister of Economics and
Intergovernmental Affairs

(*Government Bill*)

BILL 89 **Government Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Municipal Act

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and Minister of Economics and Intergovernmental Affairs

(Reprinted as amended by the Committee of the Whole House)

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTES

SECTION 1. Paragraph 13*a* of section 1 presently reads as follows:

13a. "Minister" means the Treasurer of Ontario and Minister of Economics and Intergovernmental Affairs except that in sections 443 and 461 "Minister" means the Minister of Housing.

The effect of the amendment is to designate the Minister of Housing rather than the Treasurer as the Minister without whose approval no highway less than 66 feet or more than 100 feet in width may be laid out in any municipality.

SECTION 2. Section 35 presently reads as follows:

35. Every person is qualified to hold office as a member of a council of a local municipality,

(a) whose name is entered on the polling list of electors for election of members of the council; and

(b) who is not disqualified by this or any other Act from holding such office.

The amendment adds as an eligible member of council any person who possesses on or before nomination day a certificate of the clerk of the municipality authorizing his name to be entered on the polling list.

SECTION 3. Subsection 2 of section 207 presently reads as follows:

(2) If a vacancy occurs in the office of controller, the council, at a meeting called for that purpose, shall appoint a person to fill the vacancy for the unexpired term of the member whose seat has become vacant.

The repeal of the subsection will enable the council of a municipality to exercise the option afforded under section 45 of the Act of requiring an election to be held to fill a vacancy that has occurred in the office of controller; that alternative to appointing a person to fill the vacancy now obtains in respect of any other office on council.

SECTION 4. Section 250 authorizes approved pension plans to be provided for employees of municipalities and local boards; the amendments are to the same effect as those recently made to *The Ontario Municipal Employees Retirement System Act* in Bill 27 by permitting "optional service" as defined by the new clause *ca* added by subsection 1 to be taken into account. The amendments in subsections 2 and 3 are consequent upon that amendment in subsection 1.

BILL 89 **1976**

An Act to amend The Municipal Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Paragraph 13*a* of section 1 of *The Municipal Act*, being chapter 284 of the Revised Statutes of Ontario, 1970, as enacted by the Statutes of Ontario, 1972, chapter 124, section 1 and amended by 1973, chapter 175, section 1, is further amended by inserting after "443" in the amendment of 1973 "450". s. 1, par. 13*a*, amended

2. Section 35 of the said Act, as re-enacted by the Statutes of Ontario, 1972, chapter 121, section 9, is repealed and the following substituted therefor: s. 35, re-enacted

35. Every person is qualified to hold office as a member of a council of a local municipality, Qualification of candidates

(*a*) whose name is entered on the polling list of electors for election of members of the council or who is entitled to have his name entered on such list by virtue of possessing, on or before nomination day, a certificate issued to him under section 31 of *The Municipal Elections Act*, 1972; and 1972, c. 95

(*b*) who is not disqualified by this or any other Act from holding such office.

3. Subsection 2 of section 207 of the said Act is repealed. s. 207 (2), repealed

4.—(1) Subsection 1 of section 250 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 175, section 2, is further amended by adding thereto the following clause: s. 250 (1), amended

(*ca*) "optional service" means,

(i) service with any municipality or local board in Canada,

(ii) service with the civil service of Canada or of any province of Canada,

(iii) service with the staff of any board, commission or public institution established under any Act of Canada or any province of Canada, or

(iv) war service.

s. 250 (1) (*d*), re-enacted

(2) Clause *d* of subsection 1 of the said section 250, as re-enacted by the Statutes of Ontario, 1973, chapter 175, section 2, is repealed and the following substituted therefor:

(*d*) "service" means employment of an employee by a municipality or local board and may include optional service;

(*da*) "war service" means active service during World War II or the Korean War,

(i) in His or Her Majesty's naval, army or air forces or in the Canadian or British Merchant Marine, or

(ii) in any naval, army or air force that was allied with His or Her Majesty's forces and that is designated by the Lieutenant Governor in Council,

providing satisfactory proof of such service is produced.

s. 250 (4), amended

(3) Subsection 4 of the said section 250, as re-enacted by the Statutes of Ontario, 1973, chapter 175, section 2 and amended by 1975, chapter 56, section 2, is further amended by striking out "with the municipality or local board" in the ninth and tenth lines.

s. 288 (6), amended

5.—(1) Subsection 6 of section 288 of the said Act is amended by striking out "at one time and" in the first line.

s. 288, amended

(2) The said section 288 is amended by adding thereto the following subsection:

All debentures rank equally

(19) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest

SECTION 5.—Subsection 1. Subsection 6 presently provides that all debentures issued by a municipality that are authorized by the same by-law be issued at the same time. The amendment deletes that requirement; similar amendments are included in Bills 54 and 55 that amend *The Municipality of Metropolitan Toronto Act* and the various regional municipality Acts respectively.

Subsection 2. The amendment provides that all debentures issued by a municipality rank equally regardless of the date of issue or the date of maturity.

SECTION 6. Clause *b* presently reads as follows:

(*b*) *in securities issued by the United States of America.*

The amendment broadens the class of securities mentioned in which sinking fund moneys may be invested.

SECTION 7. Presently, term debentures may only be issued by a municipality with the approval of the Treasurer of Ontario; the re-enactment of the subsection deletes that condition. There is no other change in the provision.

SECTION 8. Subsection 10 of section 304*a* presently reads as follows:

(*10*) *The clerk of every municipality that levies a tax under this section shall, on or before the 15th day of March in each year, transmit to each body for which the municipality levies a rate, except a separate school board and a county council, a statement of the amount by which the assessment of the municipality is deemed to be increased under subsection 8.*

The reference to a tax is that imposed on telephone and telegraph companies; for apportionment purposes the assessment of a municipality that levies such tax is deemed to be increased by an amount that would have produced such tax. The amendment requires certain additional information to be furnished to the levying bodies for verification purposes.

thereon with all other debentures of the municipality except as to the availability of any sinking funds applicable to any particular issue of debentures.

6. Clause *b* of subsection 5 of section 291 of the said Act is repealed and the following substituted therefor: s. 291 (5) (*b*), re-enacted

(*b*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America.

7. Subsection 1 of section 291*a* of the said Act, as enacted by the Statutes of Ontario, 1972, chapter 124, section 4, is repealed and the following substituted therefor: s. 291*a* (1), re-enacted

(1) Notwithstanding any other provisions of this Act, a local municipality having a population of not less than 20,000 as determined under *The Ontario Unconditional Grants Act, 1975*, may provide in any money by-law for the issuing of debentures that a portion of the debentures to be issued thereunder shall be payable on a fixed date with interest payable annually or semi-annually, in which case such debentures shall be known as term debentures. Term debentures 1975, c. 7

8. Subsection 10 of section 304*a* of the said Act, as re-enacted by the Statutes of Ontario, 1974, chapter 136, section 8, is repealed and the following substituted therefor: s. 304*a* (10), re-enacted

(10) The clerk of every municipality that levies a tax under this section shall, on or before the 15th day of March in each year, transmit to each body for which the municipality levies a rate, except a separate school board and a county council, a statement of the amount by which the assessment of the municipality is deemed to be increased under subsection 8, and where a municipality has, in the preceding year, levied a rate on commercial and industrial assessment in a defined area of the municipality only, the statement of that municipality shall also show, Notification of amount of assessment increase

(*a*) the rates levied in the preceding year for all purposes on the commercial and industrial assessment of public school supporters, including the rates levied on such assessment in defined areas of the municipality only;

(*b*) the whole of the commercial and industrial assessment of public school supporters according to the last revised assessment roll for the preceding year;

(*c*) the commercial and industrial assessment of public school supporters subject to rates levied on assessment in defined areas of the municipality only;

(*d*) the total amount levied in the preceding year for all purposes on the commercial and industrial assessment of public school supporters, including the amounts levied on such assessment in defined areas of the municipality only;

(*e*) the amount levied pursuant to this section in the preceding year; and

(*f*) the rate determined pursuant to subsection 8 for purposes of calculating the amount that would have produced the amount mentioned in clause *e*.

s. 312 (2) (*a*) (iii, iv), re-enacted

9. Subclauses iii and iv of clause *a* of subsection 2 of section 312 of the said Act, as re-enacted by the Statutes of Ontario, 1974, chapter 136, section 12, are repealed and the following substituted therefor:

(iii) term deposits, deposit receipts, deposit notes, certificates of deposit, acceptances and other similar instruments issued, accepted, guaranteed or endorsed by any chartered bank to which the *Bank Act* (Canada) applies,

R.S.C. 1970, c. B-1

(iv) promissory notes of a metropolitan, regional or district municipality, or of a municipality as defined in *The Municipal Affairs Act*, or of a conservation authority established under *The Conservation Authorities Act*; or

R.S.O. 1970, cc. 118, 78

. . . . .

s. 354 (1), par. 50, re-enacted

10. Paragraph 50 of subsection 1 of section 354 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 136, section 15 and 1975 (2nd Session), chapter 11, section 1, is repealed and the following substituted therefor:

Industrial sites

50. For acquiring and expropriating land and selling or leasing the land for the purpose of sites for the establishment and carrying on of industries and of industrial operations and uses incidental thereto.

Application of receipts where debt outstanding

(*a*) Where land has been acquired under this paragraph, and any debt is outstanding in respect of the acquisition of the land or in respect of any services applied to the land,

SECTION 9. Subclauses iii and iv of clause *a* of subsection 2 of section 312 presently read as follows:

(*iii*) *term deposits, deposit receipts, deposit notes, certificates of deposit, acceptances and other similar instruments issued, accepted or endorsed by any chartered bank to which the Bank Act (Canada) applies,*

(*iv*) *loans by way of promissory notes of the borrower to any municipality, or to any local board as defined in The Municipal Affairs Act; or*

. . . . .

They set out some of the types of security in which a municipality may invest moneys not immediately required. The re-enactment of subclause iii adds instruments of the type mentioned that are guaranteed by a bank as authorized investments. The re-enactment of subclause iv clarifies and expands the types of promissory notes in which moneys may be invested.

SECTION 10. Paragraph 50 of subsection 1 of section 354 presently reads as follows:

50. *On the vote of three-fourths of all the members of the council, for acquiring and expropriating land and selling or leasing the land for the purpose of sites for the establishment and carrying on of industries and of industrial operations and uses incidental thereto.*

(*a*) *Where land has been acquired under The Industrial Sites Act, being chapter 268 of the Revised Statutes of Ontario, 1937, or under this paragraph, and any debt is outstanding in respect of the acquisition of the land or in respect of any services applied to the land, other than services supplied under The Local Improvement Act, all moneys received from the sale or lease of such land shall be used to retire the debt or shall be set aside as a fund to provide for the retirement of the debt unless on the vote of three-fourths of all the members of the council the use of such moneys is directed for another purpose; and, when the debt is retired or the amount in the fund is sufficient to provide for the complete retirement of the debt, the balance of such moneys on hand and any such moneys received thereafter shall be credited to the general funds of the municipality.*

(*b*) *Any land acquired under The Industrial Sites Act, being chapter 268 of the Revised Statutes of Ontario, 1937, or under this paragraph may be used by the municipality for the purposes of the municipality or may be sold to any local board, as defined in The Department of Municipal Affairs Act, for the purposes of such board.*

(*c*) *Where it appears to the council that any land acquired under The Industrial Sites Act, being chapter 268 of the Revised Statutes of Ontario, 1937, or under this paragraph is no longer required for the purposes for which it was acquired or for the use of the municipality, the council may sell or dispose of the whole or any part of such lands for any purpose.*

(*d*) *Where land is being acquired or developed in accordance with an agreement entered into between a municipality and a corporation, as defined in The Development Corporations Act, 1973, and the corporation is lending money to the municipality under the terms of such agreement, the municipality may give security therefor to the corporation by way of mortgage on such land or may furnish such other security as the corporation considers appropriate.*

In the re-enactment, the reference to *The Industrial Sites Act* is deleted as obsolete; also removed is the requirement that in certain instances the vote of three-fourths of all the members of council is required to carry a proposal.

SECTION 11. The effect of the re-enactment is to remove the existing requirement of a vote of three-fourths of the members of council in determining to expend sums of money diffusing information respecting the advantages of the municipality as an industrial, business, etc., centre. The principle of the section is otherwise unaltered.

other than services supplied under *The Local Improvement Act*, all moneys received from the sale or lease of such land shall be used to retire the debt or shall be set aside as a fund to provide for the retirement of the debt unless on the vote of the council the use of such moneys is directed for another purpose; and, when the debt is retired or the amount in the fund is sufficient to provide for the complete retirement of the debt, the balance of such moneys on hand and any such moneys received thereafter shall be credited to the general funds of the municipality. R.S.O. 1970, c. 255

(*b*) Any land acquired under this paragraph may be used by the municipality for the purposes of the municipality or may be sold to any local board, as defined in *The Municipal Affairs Act*, for the purposes of such board. Use of land by municipality or sale to local board R.S.O. 1970, c. 118

(*c*) Where it appears to the council that any land acquired under this paragraph is no longer required for the purposes for which it was acquired or for the use of the municipality, the council may sell or dispose of the whole or any part of such lands for any purpose. Disposal of land when no longer required

(*d*) Where land is being acquired or developed in accordance with an agreement entered into between a municipality and a corporation, as defined in *The Development Corporations Act, 1973*, and the corporation is lending money to the municipality under the terms of such agreement, the municipality may give security therefor to the corporation by way of mortgage on such land or may furnish such other security as the corporation considers appropriate. Agreement with development corporation 1973, c. 84

11. Section 395 of the said Act is repealed and the following substituted therefor: s. 395, re-enacted

395.—(1) The council of a municipality may expend in any year such sum as it may determine for the purpose of diffusing information respecting the advantages of the municipality as an industrial, agricultural, business, educational, residential or vacation centre. Expenditures for publicity

Industries department and commissioner

(2) The council of a municipality having a population of not less than 5,000 may pass by-laws for the establishment and maintenance of a department of industries and for appointing a commissioner of industries to bring to the notice of manufacturers and others the advantages of the municipality as an industrial, agricultural, business, educational, residential or vacation centre.

Pooling of funds

(3) Any two or more municipalities may pool their funds and act jointly for the purposes of this section.

s. 447*a*, enacted

12. The said Act is amended by adding thereto the following section:

Where no injunction, etc., to be granted

447*a*.—(1) Notwithstanding the provisions of any Act, no injunction shall be granted or order made by the judge of any court,

(*a*) for the removing of an alteration or diversion made in a highway; or

(*b*) for avoiding or setting aside any conveyance or proceedings by which a municipality has acquired land for diverting or altering a highway,

pursuant to a by-law heretofore passed by the council of a municipality pursuant to this or any other general or special Act, by reason only of the fact that the council failed to comply with the conditions mentioned in clauses *a* and *b* of subsection 1 of section 446.

Interpretation

(2) For the purposes of subsection 1, "municipality" includes a regional, metropolitan and district municipality.

Saving

(3) Nothing in this section affects or prejudices the rights of any person to a claim for damages against the municipality in respect of such alteration or diversion.

Idem

(4) Nothing in this section affects the rights acquired by any person from a judgment or order of any court prior to the day on which this section comes into force, or affects the outcome of any action, litigation or other proceeding instituted on or before the day this section comes into force, and any such action, litigation or other proceeding may be continued and finally adjudicated in the same manner and to the same extent as if this section had not been enacted.

s. 472 (1), re-enacted

13. Subsection 1 of section 472 of the said Act, as re-enacted by the Statutes of Ontario, 1972, chapter 121, section 16, is repealed and the following substituted therefor:

SECTION 12. Section 446 of the Act reads as follows:

446.—(1) Before passing a by-law for stopping up, altering, widening, diverting, selling or leasing a highway or for establishing or laying out a highway,

(a) notice of the proposed by-law shall be published at least once a week for four successive weeks, and in the case of a village or of a township with a population of less than 40,000 shall be posted up for at least one month in six of the most public places in the immediate neighbourhood of the highway or proposed highway; and

(b) the council or a committee of council shall hear in person or by his counsel, solicitor or agent any person who claims that his land will be prejudicially affected by the by-law and who applies to be heard.

(2) The clerk shall give the notices upon payment by the applicant, if any, for the by-law, of the reasonable expenses to be incurred in so doing.

The section proposed to be added would prevent a municipality that has altered or diverted a highway pursuant to a by-law heretofore passed by it, without first having published notice of the by-law and affording an opportunity to persons to be heard who claim to be prejudicially affected, from being ordered by any court to remove the alteration or diversion or to reconvey any lands acquired for the purpose.

The section preserves, however, the rights acquired by any person pursuant to a judgment or order made prior to the day the section comes into force and does not affect the outcome of any action or proceedings commenced before that day. Neither does the section affect the right of any person to claim damages by reason of such alteration or diversion that was made pursuant to such a by-law.

SECTION 13. Subsection 1 of section 472 presently reads as follows:

(1) No person is qualified to be elected a trustee or to vote at the election thereof unless his name is entered on the polling list of electors for the office of member of council of the municipality in which the village is situate, in whole or in part, by reason of being a resident or the owner or tenant of land situate in the village or the spouse of such owner or tenant.

The amendment is to the same effect as section 2 of the Bill and permits a person to qualify as trustee of a police village if he possesses on or before nomination day a certificate authorizing his name to be entered on the polling list.

SECTION 14.—Subsection 1. Subsection 3 of section 507, incorporating the proposed amendment, will now read as follows:

(3) *For the purposes of subsection 2, the equalized assessment for the year of a municipality shall be the sum of,*

(*a*) *the equivalent equalized assessment; and*

(*b*) *85 per cent of the equalized residential and farm assessment; and*

(*c*) *the equalized commercial assessment.*

The effect of the amendment is to reflect the standard 15 per cent mill rate differential between residential and farm assessment on the one hand and commercial on the other provided for in the levying section of *The Ontario Unconditional Grants Act, 1975*.

Subsection 2. For the purpose of apportioning the county rate, local municipalities are required, under subsection 2 of section 507, to provide to the county a statement of the municipality's equalized assessment. The added subsections 3*a* and 3*b* will permit that statement to be based on the roll as returned to the clerk, rather than the roll as corrected and revised by the Assessment Review Court, with any adjustment required by the roll as finally revised, being made in the following year.

(1) No person is qualified to be elected a trustee or to vote at the election thereof unless, Qualification, trustees and electors

(*a*) his name is entered on the polling list of electors for the office of member of council of the municipality in which the village is situate, in whole or in part, by reason of being a resident or owner or tenant of land situate in the village or the spouse of such owner or tenant; or

(*b*) he is entitled to have his name entered on such polling list by virtue of possessing, on or before nomination day, a certificate issued to him under section 31 of *The Municipal Elections Act, 1972* 1972, c. 95 and he is a resident or the owner or tenant of land situate in the village or the spouse of such owner or tenant.

14.—(1) Clause *b* of subsection 3 of section 507 of the said Act, as re-enacted by the Statutes of Ontario, 1974, chapter 136, section 21, is repealed and the following substituted therefor: s. 507 (3) (*b*), re-enacted

(*b*) 85 per cent of the equalized residential and farm assessment.

(2) The said section 507 is amended by adding thereto the following subsections: s. 507, amended

(3*a*) Where the regional registrar of the Assessment Review Court has not certified in any year in accordance with section 47 of *The Assessment Act* the last revised assessment roll of any township, town or village for taxation in that year, the equalized assessment for that year of such municipality for purposes of subsection 2 shall be based on the assessment roll as returned to the clerk of such municipality pursuant to section 46 of *The Assessment Act*. Where no certified last revised assessment roll R.S.O. 1970, c. 32

(3*b*) Where the equalized assessment of a township, town or village has been computed in accordance with subsection 3*a* and the calculation of the amount required to be provided for county purposes by such municipality pursuant to subsection 4 is based upon that equalized assessment, the clerk of such municipality shall forthwith upon receiving the last revised assessment roll for the municipality for taxation in that year forward a statement of the actual equalized assessment for the municipality to the clerk of the county in which the municipality is located and the clerk of the county shall forthwith adjust accordingly the amount to be provided for county purposes by such municipality pursuant to subsection 4 and any overpayment or under- Adjustment when last revised assessment roll certified

payment by a municipality shall be subtracted from or added to, as the case may be, the amount required from that municipality for county purposes in the subsequent year pursuant to this section.

s. 507 (7), re-enacted

(3) Subsection 7 of the said section 507 is repealed and the following substituted therefor:

Amendment to by-law

(7) Where the council of the county is of the opinion that the percentage share as set out in the by-law passed under subsection 4 is not just and equitable it may, on or before the 24th day of April, amend the by-law to make an apportionment for county purposes that is just and equitable.

s. 527 (3) re-enacted

15.—(1) Subsection 3 of section 527 of the said Act is repealed and the following substituted therefor:

Penalty for non-payment of taxes

(3) The council may by by-law impose a percentage charge as a penalty for non-payment of taxes or any class or instalment thereof not exceeding 12 per cent per annum, or such lower rate as the council determines, from the date payment is due until it is made or until the 31st day of December of the year in which the taxes were levied, whichever is earlier.

s. 527 (4), repealed

(2) Subsection 4 of the said section 527 is repealed.

s. 527 (5), re-enacted

(3) Subsection 5 of the said section 527 is repealed and the following substituted therefor:

Discount or interest on payments in advance

(5) The council may by by-law authorize the treasurer or collector to receive in any year payments on account of taxes for that year in advance of the day that may be fixed by by-law for the payment of any instalment of such taxes and,

(*a*) to allow a discount on any taxes so paid in advance at a rate not exceeding 12 per cent per annum and may allow interest at a rate not exceeding 12 per cent per annum on account of taxes so paid in advance for any portion of the period for which no discount is allowed; or

(*b*) to allow interest on taxes paid in advance of the day fixed by by-law for the payment of any instalment of such taxes at a rate not exceeding 12 per cent per annum,

notwithstanding that the taxes for such year have not been levied or that the assessment roll on which such taxes are

Subsection 3. The re-enactment extends from April 21st to April 24th the time within which the county council may amend its by-law apportioning the county rate.

SECTION 15. The effect of the amendments is to make uniform the percentage charges that may be imposed on taxes in arrears during the year in which they were imposed; similar provision is made in respect of discounts and prepayment of taxes. In all cases the percentage charged, discount given or interest on prepayment allowed is 12 per cent per annum, or such lower rate as the council determines.

SECTION 16. The amendment is to the same effect as in section 15 of the Bill in relation to the penalty charged on taxes in arrears after the end of the year in which they were imposed.

to be fixed and levied has not been revised and certified by the Assessment Review Court when any such advance payment is made, and a by-law passed under this subsection remains in force from year to year until it is repealed or amended.

16. Subsections 1 and 2 of section 553 of the said Act are repealed and the following substituted therefor: s. 553 (1), re-enacted s. 553 (2), repealed

(1) Notwithstanding any special Act, the treasurer, collector, or county treasurer, as the case may be, shall add to the amount of all taxes due and unpaid interest at the rate of 12 per cent per annum, or such lower rate as the council of the local municipality determines, from the 31st day of December in the year in which the taxes were levied until taxes are paid. Interest on tax arrears

17.—(1) This Act, except sections 8, 14, 15 and 16, comes into force on the day it receives Royal Assent. Commencement

(2) Sections 8, 14, 15 and 16 come into force on the 1st day of January, 1977. Idem

18. This Act may be cited as *The Municipal Amendment Act, 1976*. Short title

An Act to amend
The Municipal Act

1st Reading

May 25th, 1976

2nd Reading

June 16th, 1976

3rd Reading

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and
Minister of Economics and
Intergovernmental Affairs

(*Reprinted as amended by the Committee of the Whole House*)

BILL 89

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Municipal Act

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and Minister of Economics and
Intergovernmental Affairs

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO



BILL 89 **1976**

An Act to amend The Municipal Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Paragraph 13*a* of section 1 of *The Municipal Act*, being chapter 284 of the Revised Statutes of Ontario, 1970, as enacted by the Statutes of Ontario, 1972, chapter 124, section 1 and amended by 1973, chapter 175, section 1, is further amended by inserting after "443" in the amendment of 1973 "450". s. 1, par. 13*a*, amended

2. Section 35 of the said Act, as re-enacted by the Statutes of Ontario, 1972, chapter 121, section 9, is repealed and the following substituted therefor: s. 35, re-enacted

35. Every person is qualified to hold office as a member of a council of a local municipality, Qualification of candidates

(*a*) whose name is entered on the polling list of electors for election of members of the council or who is entitled to have his name entered on such list by virtue of possessing, on or before nomination day, a certificate issued to him under section 31 of *The Municipal Elections Act*, 1972; and 1972, c. 95

(*b*) who is not disqualified by this or any other Act from holding such office.

3. Subsection 2 of section 207 of the said Act is repealed. s. 207 (2), repealed

4.—(1) Subsection 1 of section 250 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 175, section 2, is further amended by adding thereto the following clause: s. 250 (1), amended

(*ca*) "optional service" means,

(i) service with any municipality or local board in Canada,

(ii) service with the civil service of Canada or of any province of Canada,

(iii) service with the staff of any board, commission or public institution established under any Act of Canada or any province of Canada, or

(iv) war service.

s. 250 (1) (*d*), re-enacted

(2) Clause *d* of subsection 1 of the said section 250, as re-enacted by the Statutes of Ontario, 1973, chapter 175, section 2, is repealed and the following substituted therefor:

(*d*) "service" means employment of an employee by a municipality or local board and may include optional service;

(*da*) "war service" means active service during World War II or the Korean War,

(i) in His or Her Majesty's naval, army or air forces or in the Canadian or British Merchant Marine, or

(ii) in any naval, army or air force that was allied with His or Her Majesty's forces and that is designated by the Lieutenant Governor in Council,

providing satisfactory proof of such service is produced.

s. 250 (4), amended

(3) Subsection 4 of the said section 250, as re-enacted by the Statutes of Ontario, 1973, chapter 175, section 2 and amended by 1975, chapter 56, section 2, is further amended by striking out "with the municipality or local board" in the ninth and tenth lines.

s. 288 (6), amended

5.—(1) Subsection 6 of section 288 of the said Act is amended by striking out "at one time and" in the first line.

s. 288, amended

(2) The said section 288 is amended by adding thereto the following subsection:

All debentures rank equally

(19) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest

thereon with all other debentures of the municipality except as to the availability of any sinking funds applicable to any particular issue of debentures.

6. Clause *b* of subsection 5 of section 291 of the said Act is repealed and the following substituted therefor: s. 291 (5) (*b*), re-enacted

(*b*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America.

7. Subsection 1 of section 291*a* of the said Act, as enacted by the Statutes of Ontario, 1972, chapter 124, section 4, is repealed and the following substituted therefor: s. 291*a* (1), re-enacted

(1) Notwithstanding any other provisions of this Act, a local municipality having a population of not less than 20,000 as determined under *The Ontario Unconditional Grants Act, 1975*, may provide in any money by-law for the issuing of debentures that a portion of the debentures to be issued thereunder shall be payable on a fixed date with interest payable annually or semi-annually, in which case such debentures shall be known as term debentures. Term debentures 1975, c. 7

8. Subsection 10 of section 304*a* of the said Act, as re-enacted by the Statutes of Ontario, 1974, chapter 136, section 8, is repealed and the following substituted therefor: s. 304*a* (10), re-enacted

(10) The clerk of every municipality that levies a tax under this section shall, on or before the 15th day of March in each year, transmit to each body for which the municipality levies a rate, except a separate school board and a county council, a statement of the amount by which the assessment of the municipality is deemed to be increased under subsection 8, and where a municipality has, in the preceding year, levied a rate on commercial and industrial assessment in a defined area of the municipality only, the statement of that municipality shall also show, Notification of amount of assessment increase

(*a*) the rates levied in the preceding year for all purposes on the commercial and industrial assessment of public school supporters, including the rates levied on such assessment in defined areas of the municipality only;

(*b*) the whole of the commercial and industrial assessment of public school supporters according to the last revised assessment roll for the preceding year;

(*c*) the commercial and industrial assessment of public school supporters subject to rates levied on assessment in defined areas of the municipality only;

(*d*) the total amount levied in the preceding year for all purposes on the commercial and industrial assessment of public school supporters, including the amounts levied on such assessment in defined areas of the municipality only;

(*e*) the amount levied pursuant to this section in the preceding year; and

(*f*) the rate determined pursuant to subsection 8 for purposes of calculating the amount that would have produced the amount mentioned in clause *e*.

s. 312 (2) (*a*) (iii, iv), re-enacted

9. Subclauses iii and iv of clause *a* of subsection 2 of section 312 of the said Act, as re-enacted by the Statutes of Ontario, 1974, chapter 136, section 12, are repealed and the following substituted therefor:

(iii) term deposits, deposit receipts, deposit notes, certificates of deposit, acceptances and other similar instruments issued, accepted, guaranteed or endorsed by any chartered bank to which the *Bank Act* (Canada) applies,

R.S.C. 1970, c. B-1

(iv) promissory notes of a metropolitan, regional or district municipality, or of a municipality as defined in *The Municipal Affairs Act*, or of a conservation authority established under *The Conservation Authorities Act*; or

R.S.O. 1970, cc. 118, 78

. . . . . .

s. 354 (1), par. 50, re-enacted

10. Paragraph 50 of subsection 1 of section 354 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 136, section 15 and 1975 (2nd Session), chapter 11, section 1, is repealed and the following substituted therefor:

Industrial sites

50. For acquiring and expropriating land and selling or leasing the land for the purpose of sites for the establishment and carrying on of industries and of industrial operations and uses incidental thereto.

Application of receipts where debt outstanding

(*a*) Where land has been acquired under this paragraph, and any debt is outstanding in respect of the acquisition of the land or in respect of any services applied to the land,

other than services supplied under *The Local Improvement Act*, all moneys received from the sale or lease of such land shall be used to retire the debt or shall be set aside as a fund to provide for the retirement of the debt unless on the vote of the council the use of such moneys is directed for another purpose; and, when the debt is retired or the amount in the fund is sufficient to provide for the complete retirement of the debt, the balance of such moneys on hand and any such moneys received thereafter shall be credited to the general funds of the municipality. R.S.O. 1970, c. 255

(*b*) Any land acquired under this paragraph may be used by the municipality for the purposes of the municipality or may be sold to any local board, as defined in *The Municipal Affairs Act*, for the purposes of such board. Use of land by municipality or sale to local board R.S.O. 1970, c. 118

(*c*) Where it appears to the council that any land acquired under this paragraph is no longer required for the purposes for which it was acquired or for the use of the municipality, the council may sell or dispose of the whole or any part of such lands for any purpose. Disposal of land when no longer required

(*d*) Where land is being acquired or developed in accordance with an agreement entered into between a municipality and a corporation, as defined in *The Development Corporations Act, 1973*, and the corporation is lending money to the municipality under the terms of such agreement, the municipality may give security therefor to the corporation by way of mortgage on such land or may furnish such other security as the corporation considers appropriate. Agreement with development corporation 1973, c. 84

11. Section 395 of the said Act is repealed and the following substituted therefor: s. 395, re-enacted

395.—(1) The council of a municipality may expend in any year such sum as it may determine for the purpose of diffusing information respecting the advantages of the municipality as an industrial, agricultural, business, educational, residential or vacation centre. Expenditures for publicity

Industries department and commissioner

(2) The council of a municipality having a population of not less than 5,000 may pass by-laws for the establishment and maintenance of a department of industries and for appointing a commissioner of industries to bring to the notice of manufacturers and others the advantages of the municipality as an industrial, agricultural, business, educational, residential or vacation centre.

Pooling of funds

(3) Any two or more municipalities may pool their funds and act jointly for the purposes of this section.

s. 447*a*, enacted

12. The said Act is amended by adding thereto the following section:

Where no injunction, etc., to be granted

447*a*.—(1) Notwithstanding the provisions of any Act, no injunction shall be granted or order made by the judge of any court,

(*a*) for the removing of an alteration or diversion made in a highway; or

(*b*) for avoiding or setting aside any conveyance or proceedings by which a municipality has acquired land for diverting or altering a highway,

pursuant to a by-law heretofore passed by the council of a municipality pursuant to this or any other general or special Act, by reason only of the fact that the council failed to comply with the conditions mentioned in clauses *a* and *b* of subsection 1 of section 446.

Interpretation

(2) For the purposes of subsection 1, "municipality" includes a regional, metropolitan and district municipality.

Saving

(3) Nothing in this section affects or prejudices the rights of any person to a claim for damages against the municipality in respect of such alteration or diversion.

Idem

(4) Nothing in this section affects the rights acquired by any person from a judgment or order of any court prior to the day on which this section comes into force, or affects the outcome of any action, litigation or other proceeding instituted on or before the day this section comes into force, and any such action, litigation or other proceeding may be continued and finally adjudicated in the same manner and to the same extent as if this section had not been enacted.

s. 472 (1), re-enacted

13. Subsection 1 of section 472 of the said Act, as re-enacted by the Statutes of Ontario, 1972, chapter 121, section 16, is repealed and the following substituted therefor:

(1) No person is qualified to be elected a trustee or to vote at the election thereof unless, Qualification, trustees and electors

(*a*) his name is entered on the polling list of electors for the office of member of council of the municipality in which the village is situate, in whole or in part, by reason of being a resident or owner or tenant of land situate in the village or the spouse of such owner or tenant; or

(*b*) he is entitled to have his name entered on such polling list by virtue of possessing, on or before nomination day, a certificate issued to him under section 31 of *The Municipal Elections Act, 1972* 1972, c. 95 and he is a resident or the owner or tenant of land situate in the village or the spouse of such owner or tenant.

14.—(1) Clause *b* of subsection 3 of section 507 of the said Act, as re-enacted by the Statutes of Ontario, 1974, chapter 136, section 21, is repealed and the following substituted therefor: s. 507 (3) (*b*), re-enacted

(*b*) 85 per cent of the equalized residential and farm assessment.

(2) The said section 507 is amended by adding thereto the following subsections: s. 507, amended

(3*a*) Where the regional registrar of the Assessment Review Court has not certified in any year in accordance with section 47 of *The Assessment Act* the last revised assessment roll of any township, town or village for taxation in that year, the equalized assessment for that year of such municipality for purposes of subsection 2 shall be based on the assessment roll as returned to the clerk of such municipality pursuant to section 46 of *The Assessment Act*. Where no certified last revised assessment roll R.S.O. 1970, c. 32

(3*b*) Where the equalized assessment of a township, town or village has been computed in accordance with subsection 3*a* and the calculation of the amount required to be provided for county purposes by such municipality pursuant to subsection 4 is based upon that equalized assessment, the clerk of such municipality shall forthwith upon receiving the last revised assessment roll for the municipality for taxation in that year forward a statement of the actual equalized assessment for the municipality to the clerk of the county in which the municipality is located and the clerk of the county shall forthwith adjust accordingly the amount to be provided for county purposes by such municipality pursuant to subsection 4 and any overpayment or under- Adjustment when last revised assessment roll certified

payment by a municipality shall be subtracted from or added to, as the case may be, the amount required from that municipality for county purposes in the subsequent year pursuant to this section.

s. 507 (7), re-enacted

(3) Subsection 7 of the said section 507 is repealed and the following substituted therefor:

Amendment to by-law

(7) Where the council of the county is of the opinion that the percentage share as set out in the by-law passed under subsection 4 is not just and equitable it may, on or before the 24th day of April, amend the by-law to make an apportionment for county purposes that is just and equitable.

s. 527 (3) re-enacted

15.—(1) Subsection 3 of section 527 of the said Act is repealed and the following substituted therefor:

Penalty for non-payment of taxes

(3) The council may by by-law impose a percentage charge as a penalty for non-payment of taxes or any class or instalment thereof not exceeding 12 per cent per annum, or such lower rate as the council determines, from the date payment is due until it is made or until the 31st day of December of the year in which the taxes were levied, whichever is earlier.

s. 527 (4), repealed

(2) Subsection 4 of the said section 527 is repealed.

s. 527 (5), re-enacted

(3) Subsection 5 of the said section 527 is repealed and the following substituted therefor:

Discount or interest on payments in advance

(5) The council may by by-law authorize the treasurer or collector to receive in any year payments on account of taxes for that year in advance of the day that may be fixed by by-law for the payment of any instalment of such taxes and,

(*a*) to allow a discount on any taxes so paid in advance at a rate not exceeding 12 per cent per annum and may allow interest at a rate not exceeding 12 per cent per annum on account of taxes so paid in advance for any portion of the period for which no discount is allowed; or

(*b*) to allow interest on taxes paid in advance of the day fixed by by-law for the payment of any instalment of such taxes at a rate not exceeding 12 per cent per annum,

notwithstanding that the taxes for such year have not been levied or that the assessment roll on which such taxes are

to be fixed and levied has not been revised and certified by the Assessment Review Court when any such advance payment is made, and a by-law passed under this subsection remains in force from year to year until it is repealed or amended.

16. Subsections 1 and 2 of section 553 of the said Act are repealed and the following substituted therefor: s. 553 (1), re-enacted s. 553 (2), repealed

(1) Notwithstanding any special Act, the treasurer, collector, or county treasurer, as the case may be, shall add to the amount of all taxes due and unpaid interest at the rate of 12 per cent per annum, or such lower rate as the council of the local municipality determines, from the 31st day of December in the year in which the taxes were levied until taxes are paid. Interest on tax arrears

17.—(1) This Act, except sections 8, 14, 15 and 16, comes into force on the day it receives Royal Assent. Commencement

(2) Sections 8, 14, 15 and 16 come into force on the 1st day of January, 1977. Idem

18. This Act may be cited as *The Municipal Amendment Act, 1976*. Short title

An Act to amend
The Municipal Act

1st Reading

May 25th, 1976

2nd Reading

June 16th, 1976

3rd Reading

June 22nd, 1976

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and
Minister of Economics and
Intergovernmental Affairs

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Live Stock Community Sales Act

THE HON. W. NEWMAN
Minister of Agriculture and Food

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTES

SECTION 1. The interpretation section (section 1) of the Act is revised.

SECTION 2. Section 2 of the Act, exclusive of the clauses, at present reads as follows:

2. This Act does not apply to,

. . . . .

The class of sale described in the new clause *e* is added to the classes of sales exempted from the Act.

BILL 90 **1976**

An Act to amend The Live Stock Community Sales Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1.—(1) Section 1 of *The Live Stock Community Sales Act*, being chapter 253 of the Revised Statutes of Ontario, 1970, as amended by the Statutes of Ontario, 1971, chapter 50, section 53, is further amended by adding thereto the following clause: s. 1, amended

(*ea*) "Minister" means the Minister of Agriculture and Food.

(2) Clause *i* of the said section 1 is repealed and the following substituted therefor: s. 1 (*i*), re-enacted

(*i*) "veterinarian" means a person registered under *The Veterinarians Act*. R.S.O. 1970, c. 480

2. Section 2 of the said Act is amended by striking out "or" at the end of clause *c*, by adding "or" at the end of clause *d* and by adding thereto the following clause: s. 2, amended

(*e*) a sale of live stock held at the established place of business of an operator where,

(i) the sale is held for the purpose of dispersing an established herd in whole or in part,

(ii) only live stock of the herd owner is offered for sale, and

(iii) the herd has not been assembled by a dealer in live stock for the purpose of resale.

s. 5 (*e*), amended

3. Clause *e* of section 5 of the said Act is amended by striking out "a veterinarian" in the second line and inserting in lieu thereof "an inspector".

s. 7, repealed

4. Section 7 of the said Act is repealed.

s. 8, re-enacted

5. Section 8 of the said Act is repealed and the following substituted therefor:

Conditions precedent to sale

8.—(1) No operator shall commence a community sale until an inspector,

(*a*) has inspected the premises at which the sale is to be held; and

(*b*) has carried out such duties as are prescribed in the regulations to be completed before the commencement of a community sale.

Idem

(2) No operator shall offer live stock for sale at a community sale unless such live stock has been inspected on the premises by an inspector before being offered for sale.

s. 11, re-enacted

6. Section 11 of the said Act is repealed and the following substituted therefor:

Inspectors

11.—(1) The Minister shall appoint a chief inspector who is a veterinarian and such other inspectors as he considers necessary and, notwithstanding any other Act, such inspectors have exclusive authority to initiate proceedings to enforce the provisions of this Act and the regulations.

Certificate of appointment

(2) The production by an inspector of a certificate of his appointment purporting to be signed by the Minister is admissible in evidence as *prima facie* proof of his appointment without further proof of the signature or authority of the Minister.

Powers of inspector

(3) Subject to subsections 4, 5 and 6, the Director or an inspector may, for the purpose of carrying out his duties under this Act,

(*a*) enter any premises and any truck or other conveyance thereon and inspect the premises, truck or other conveyance and any live stock therein;

(*b*) require the production or furnishing by the owner or custodian thereof of any books, records or documents, or of extracts therefrom, of persons

SECTION 3. Section 5 (*e*) of the Act at present reads as follows:

5. No operator shall hold a community sale unless,

. . . . . .

(e) a room is provided in a convenient location for the use of a veterinarian as an office and as a laboratory equipped with such facilities as are required by him in the course of his duties under this Act and the regulations; and

. . . . . .

The amendment strikes out the words underlined above and substitutes therefor "an inspector" and is complementary to section 6 of the Bill.

SECTION 4. Section 7 of the Act at present reads as follows:

7. The Lieutenant Governor in Council may appoint such veterinarians as are required for the purposes of this Act.

The repeal of section 7 is complementary to section 6 of the Bill.

SECTION 5. Section 8 of the Act at present provides as follows:

8. A community sale shall not be held until a veterinarian,

(a) has inspected the premises at which the sale is to be held;

(b) has examined or inspected all live stock that is to be offered for sale; and

(c) has carried out such other duties as are prescribed in the regulations.

The conditions precedent to a sale are revised and updated in the re-enactment of section 8.

SECTIONS 6 and 7. Sections 11 and 12 of the Act at present read as follows:

11. The Minister of Agriculture and Food may appoint a chief inspector and one or more inspectors for the purposes of this Act.

12.—(1) Subject to subsection 1a, the Director or an inspector or a veterinarian may enter any premises for the purposes of enforcing this Act.

(1a) Except under the authority of a warrant under section 16 of The Summary Convictions Act, the Director or an inspector or a veterinarian shall not enter any part of a dwelling without the consent of the occupant.

(2) No person shall obstruct the Director or an inspector or a veterinarian in the performance of his duties or refuse to permit the inspection of any live stock or furnish him with false information.

(3) Every person shall, when required by the Director or an inspector, produce any books, records or other documents relating to any live stock assembled or sold at a community sale.

The re-enacted sections 11 and 12 enlarge and update the provisions respecting the appointment of inspectors, the powers of an inspector, the production of books, records, etc., and the obstruction of an inspector in the course of his duties.

licensed under this Act or relating to any live stock assembled or sold at a community sale;

(*c*) in accordance with the regulations, seize, remove, detain and provide for the disposal of any live stock where,

(i) he believes on reasonable and probable grounds that there is a contravention of this Act or the regulations in respect thereof, or

(ii) it appears to him that the live stock is diseased, injured or shows evidence of any other abnormal condition;

(*d*) order live stock mentioned in subclause ii of clause *c* to be destroyed,

(i) with the consent of the owner, or

(ii) where a veterinarian has examined the live stock and has advised the Director or inspector in writing that the live stock is diseased, injured or suffers from any other abnormal condition and, in his opinion, is incapable of being so cured, healed or treated as to live thereafter without suffering.

No entry without consent or warrant R.S.O. 1970, c. 450

(4) Except under the authority of a warrant under section 16 of *The Summary Convictions Act*, the Director or an inspector shall not enter any part of a dwelling without the consent of the occupant.

Production of records, etc.

(5) Where the Director or an inspector requires the production or furnishing of books, records, documents or extracts therefrom, the person having custody thereof shall produce or furnish them to the Director or inspector and the Director or inspector may detain them for the purpose of making copies therefrom and thereafter return them to the person who produced or furnished them.

Certification of copy

(6) Where a copy of a book, record, document or extract is made under subsection 5 and is certified by a person thereunto authorized, it is admissible in evidence and has the same probative force as the original document would have had if it had been proven in the ordinary way.

s. 12, re-enacted

7. Section 12 of the said Act, as amended by the Statutes of Ontario, 1971, chapter 50, section 53, is repealed and the following substituted therefor:

Obstruction

12. No person shall hinder or obstruct the Director or an inspector in the course of his duties, or refuse to permit him to inspect any premises or any truck or other conveyance thereon or any live stock therein, or furnish him with false information, or refuse to furnish him with information,

s. 13, amended

8. Section 13 of the said Act is amended by striking out "$100" in the fourth line and inserting in lieu thereof "$500" and by striking out "$500" in the fifth line and inserting in lieu thereof "$1,000".

s. 14, amended

9.—(1) Section 14 of the said Act, as amended by the Statutes of Ontario, 1971, chapter 50, section 53, is further amended by adding thereto the following clause:

(*c*) prescribing grounds for the refusal to renew, suspension or revocation of licences in addition to those grounds mentioned in clauses *a*, *b*, *c* and *d* of subsection 1 of section 3*b*.

s. 14 (*h*), re-enacted

(2) Clause *h* of the said section 14 is repealed and the following substituted therefor:

(*h*) prescribing the powers and duties of inspectors or any class thereof.

s. 14, amended

(3) The said section 14 is further amended by relettering clause *n* as clause *s* and by adding thereto the following clauses:

(*n*) governing the seizure, removal, detention and disposal of live stock for the purposes of clause *c* of subsection 3 of section 11;

(*o*) governing the destruction of live stock for the purposes of clause *d* of subsection 3 of section 11;

(*p*) prescribing standards for the health, welfare and care of live stock, or any class thereof, in connection with community sales;

(*q*) prohibiting the sale of live stock affected with any disease or other abnormal condition and providing for the disposal of such live stock;

(*r*) prescribing the terms and conditions upon which live stock affected with any disease or other abnormal condition may be offered for sale and sold.

SECTION 8. The maximum fine for a contravention of the Act or the regulations is increased from $100 to $500 for a first offence and from $500 to $1,000 for a second or subsequent offence.

There is no minimum fine for a first or subsequent offence.

SECTION 9. Section 14 of the Act empowers the Lieutenant Governor in Council to make regulations respecting the matters set out in the clauses to the section.

The authority to make regulations is revised to complement other sections of the Bill and enlarged to include the matters set out in the clauses being added.

10. This Act comes into force on a day to be named by proclamation of the Lieutenant Governor. Commencement

11. This Act may be cited as *The Live Stock Community Sales Amendment Act, 1976*. Short title

An Act to amend
The Live Stock Community
Sales Act

1st Reading

May 25th, 1976

2nd Reading

3rd Reading

THE HON. W. NEWMAN
Minister of Agriculture and Food

(*Government Bill*)

1976

BILL 90

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Live Stock Community Sales Act

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Minister of Agriculture and Food

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BILL 90 **1976**

An Act to amend The Live Stock Community Sales Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1.—(1) Section 1 of *The Live Stock Community Sales Act*, being chapter 253 of the Revised Statutes of Ontario, 1970, as amended by the Statutes of Ontario, 1971, chapter 50, section 53, is further amended by adding thereto the following clause: s. 1, amended

(*ea*) "Minister" means the Minister of Agriculture and Food.

(2) Clause *i* of the said section 1 is repealed and the following substituted therefor: s. 1 (*i*), re-enacted

(*i*) "veterinarian" means a person registered under *The Veterinarians Act*. R.S.O. 1970, c. 480

2. Section 2 of the said Act is amended by striking out "or" at the end of clause *c*, by adding "or" at the end of clause *d* and by adding thereto the following clause: s. 2, amended

(*e*) a sale of live stock held at the established place of business of an operator where,

(i) the sale is held for the purpose of dispersing an established herd in whole or in part,

(ii) only live stock of the herd owner is offered for sale, and

(iii) the herd has not been assembled by a dealer in live stock for the purpose of resale.

s. 5 (*e*), amended

3. Clause *e* of section 5 of the said Act is amended by striking out "a veterinarian" in the second line and inserting in lieu thereof "an inspector".

s. 7, repealed

4. Section 7 of the said Act is repealed.

s. 8, re-enacted

5. Section 8 of the said Act is repealed and the following substituted therefor:

Conditions precedent to sale

8.—(1) No operator shall commence a community sale until an inspector,

(*a*) has inspected the premises at which the sale is to be held; and

(*b*) has carried out such duties as are prescribed in the regulations to be completed before the commencement of a community sale.

Idem

(2) No operator shall offer live stock for sale at a community sale unless such live stock has been inspected on the premises by an inspector before being offered for sale.

s. 11, re-enacted

6. Section 11 of the said Act is repealed and the following substituted therefor:

Inspectors

11.—(1) The Minister shall appoint a chief inspector who is a veterinarian and such other inspectors as he considers necessary and, notwithstanding any other Act, such inspectors have exclusive authority to initiate proceedings to enforce the provisions of this Act and the regulations.

Certificate of appointment

(2) The production by an inspector of a certificate of his appointment purporting to be signed by the Minister is admissible in evidence as *prima facie* proof of his appointment without further proof of the signature or authority of the Minister.

Powers of inspector

(3) Subject to subsections 4, 5 and 6, the Director or an inspector may, for the purpose of carrying out his duties under this Act,

(*a*) enter any premises and any truck or other conveyance thereon and inspect the premises, truck or other conveyance and any live stock therein;

(*b*) require the production or furnishing by the owner or custodian thereof of any books, records or documents, or of extracts therefrom, of persons

licensed under this Act or relating to any live stock assembled or sold at a community sale;

(*c*) in accordance with the regulations, seize, remove, detain and provide for the disposal of any live stock where,

(i) he believes on reasonable and probable grounds that there is a contravention of this Act or the regulations in respect thereof, or

(ii) it appears to him that the live stock is diseased, injured or shows evidence of any other abnormal condition;

(*d*) order live stock mentioned in subclause ii of clause *c* to be destroyed,

(i) with the consent of the owner, or

(ii) where a veterinarian has examined the live stock and has advised the Director or inspector in writing that the live stock is diseased, injured or suffers from any other abnormal condition and, in his opinion, is incapable of being so cured, healed or treated as to live thereafter without suffering.

No entry without consent or warrant R.S.O. 1970, c. 450

(4) Except under the authority of a warrant under section 16 of *The Summary Convictions Act*, the Director or an inspector shall not enter any part of a dwelling without the consent of the occupant.

Production of records, etc.

(5) Where the Director or an inspector requires the production or furnishing of books, records, documents or extracts therefrom, the person having custody thereof shall produce or furnish them to the Director or inspector and the Director or inspector may detain them for the purpose of making copies therefrom and thereafter return them to the person who produced or furnished them.

Certification of copy

(6) Where a copy of a book, record, document or extract is made under subsection 5 and is certified by a person thereunto authorized, it is admissible in evidence and has the same probative force as the original document would have had if it had been proven in the ordinary way.

s. 12, re-enacted

7. Section 12 of the said Act, as amended by the Statutes of Ontario, 1971, chapter 50, section 53, is repealed and the following substituted therefor:

Obstruction

12. No person shall hinder or obstruct the Director or an inspector in the course of his duties, or refuse to permit him to inspect any premises or any truck or other conveyance thereon or any live stock therein, or furnish him with false information, or refuse to furnish him with information,

s. 13, amended

8. Section 13 of the said Act is amended by striking out "$100" in the fourth line and inserting in lieu thereof "$500" and by striking out "$500" in the fifth line and inserting in lieu thereof "$1,000".

s. 14, amended

9.—(1) Section 14 of the said Act, as amended by the Statutes of Ontario, 1971, chapter 50, section 53, is further amended by adding thereto the following clause:

(*c*) prescribing grounds for the refusal to renew, suspension or revocation of licences in addition to those grounds mentioned in clauses *a*, *b*, *c* and *d* of subsection 1 of section 3*b*.

s. 14 (*h*), re-enacted

(2) Clause *h* of the said section 14 is repealed and the following substituted therefor:

(*h*) prescribing the powers and duties of inspectors or any class thereof.

s. 14, amended

(3) The said section 14 is further amended by relettering clause *n* as clause *s* and by adding thereto the following clauses:

(*n*) governing the seizure, removal, detention and disposal of live stock for the purposes of clause *c* of subsection 3 of section 11;

(*o*) governing the destruction of live stock for the purposes of clause *d* of subsection 3 of section 11;

(*p*) prescribing standards for the health, welfare and care of live stock, or any class thereof, in connection with community sales;

(*q*) prohibiting the sale of live stock affected with any disease or other abnormal condition and providing for the disposal of such live stock;

(*r*) prescribing the terms and conditions upon which live stock affected with any disease or other abnormal condition may be offered for sale and sold.

10. This Act comes into force on a day to be named by proclamation of the Lieutenant Governor. Commencement

11. This Act may be cited as *The Live Stock Community Sales Amendment Act, 1976*. Short title

An Act to amend
The Live Stock Community
Sales Act

1st Reading

May 25th, 1976

2nd Reading

June 8th, 1976

3rd Reading

June 8th, 1976

THE HON. W. NEWMAN
Minister of Agriculture and Food

1976

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Power Corporation Act

MR. SARGENT

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

The purpose of the Bill is to establish a minimum basic user charge for electric power supplied to residential premises. Discounts and lower rates for bulk users would be eliminated.

BILL 91 **1976**

An Act to amend The Power Corporation Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 96 of *The Power Corporation Act*, being chapter 354 of the Revised Statutes of Ontario, 1970, as amended by the Statutes of Ontario, 1973, chapter 57, section 2, is further amended by adding thereto the following subsections: s. 96, amended

(4) Notwithstanding the generality of subsections 1 and 2, the Corporation shall determine a basic residential rate which shall be the basic rate chargeable by each municipal corporation generating or receiving and distributing power or each company or individual receiving and distributing power when supplying power to a residential premises. Basic residential rate to be determined

(5) Subject to subsection 6, the basic residential rate chargeable to a particular class of residential premises by a municipal corporation, company or individual shall be determined by calculating the cost to the particular municipal corporation, company or individual, as the case may be, of supplying the minimum essential energy needs to a family of four. Calculation of basic residential rate

(6) In no case shall the basic residential rate referred to in subsection 5 exceed the rate that was chargeable to a particular residential premises immediately prior to the 1st day of January, 1975, plus 50 per cent of any rate increase that was in effect from the 1st day of January, 1975, to the 1st day of January, 1976. Idem

(7) No municipal corporation, company or individual receiving and distributing power shall offer a discount or charge a lower rate than the rate established as the basic residential rate to a residential customer who uses more power than is necessary to meet the customer's minimum essential energy need. Discounts prohibited

Regulations

(8) The Corporation, with the approval of the Lieutenant Governor in Council, may make regulations,

(*a*) establishing classes of residential premises; and

(*b*) defining minimum essential energy needs,

for the purpose of determining the basic residential rates chargeable to residential premises under subsection 5.

Commencement

2. This Act comes into force on the day it receives Royal Assent.

Short title

3. This Act may be cited as *The Power Corporation Amendment Act, 1976*.

An Act to amend
The Power Corporation Act

1st Reading

May 27th, 1976

2nd Reading

3rd Reading

MR. SARGENT

(*Private Member's Bill*)

1976

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act for the Promotion and Protection of the Health and Safety of Persons engaged in Occupations

MR. MARTEL

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

The purpose of the Bill is to consolidate matters dealing with the health and safety of workers and place them under the jurisdiction of the Ministry of Labour.

The Bill also establishes a department, to be part of the Ministry of Labour, which is responsible for research and the setting and enforcing of standards to protect workers.

BILL 92 **1976**

An Act for the Promotion and Protection of the Health and Safety of Persons engaged in Occupations

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act, Interpretation

(*a*) "chief occupational medical officer" means the person appointed as the chief occupational medical officer pursuant to section 7;

(*b*) "council" means the Occupational Health Council appointed under section 8;

(*c*) "department" means the occupational health and safety department established pursuant to section 2;

(*d*) "International Standard Classification of Occupations" means the booklet as published and revised from time to time by the International Labour Organization and entitled "International Standard Classification of Occupations";

(*e*) "Minister" means the Minister of Labour;

(*f*) "Ministry" means the Ministry of Labour;

(*g*) "occupation" means employment, business, calling or pursuit but does not include an endeavour not constituting one of the classes of occupations in the International Standard Classification of Occupations;

(*h*) "occupational health" means,

(i) the promotion and maintenance of the highest degree of physical, mental and social well-being of workers,

(ii) the prevention among workers of ill health caused by their working conditions,

(iii) the protection of workers in their employment from risks resulting from factors adverse to health,

(iv) the placing and maintenance of workers in an occupational environment adapted to their physiological and psychological condition;

(*i*) "occupational health officer" means a person designated as an occupational health officer under section 5;

(*j*) "occupational health service" means a service organized in or near a place of employment for the purposes of,

(i) protecting workers against any health hazard that may arise out of their work or the conditions under which it is carried on,

(ii) ensuring the workers' physical and mental adjustment in their employment and ensuring their assignment to jobs for which they are suited, and

(iii) contributing to the establishment and maintenance of a high degree of physical and mental well-being of the workers;

(*k*) "occupational rehabilitation" means measures that assist workers to return to work following injury or disease however caused and that assist persons suffering from the disabling effects of injury, disease or congenital deformity in obtaining or retaining employment;

(*l*) "place of employment" means any building, workshop, structure, mine or other premises in which one or more workers usually work;

(*m*) "worker" means a person who is engaged in an occupation;

(*n*) "working place" means a location other than a place of employment where one or more workers are engaged in work.

Department established

2. For the purpose of providing for the administration of this Act, the Minister shall establish a department within the Ministry to be known as the occupational health and safety department.

Duties of department

3. The department shall,

(*a*) be concerned with occupational health generally and the maintenance of reasonable standards for the protection of the health and safety of workers in Ontario;

(*b*) be responsible for the day to day administration of this Act and the regulations;

(*c*) prepare and maintain morbidity and accident statistics relating to workers and do so either alone or in conjunction with the Workmen's Compensation Board and the Ministry of Health; and

(*d*) do such other things in connection with occupational health as the Minister may direct.

Powers of department

4. The department may,

(*a*) provide assistance to persons concerned with occupational health and provide services to assist persons in charge of the operation of places of employment and working places in maintaining reasonable standards for the protection of the health and safety of workers;

(*b*) promote or conduct studies and research projects in connection with problems relating to the health and safety of workers; and

(*c*) encourage or conduct educational programs for promoting the health and safety of workers.

Designation of occupational health officers

5. The Minister may designate as occupational health officers any of the persons employed in the department.

Powers of occupational health officer

6.—(1) For the purpose of the administration of this Act, an occupational health officer may,

(*a*) enter and inspect a place of employment and a working place and every part thereof at all reasonable times both day and night without prior notification when he has reasonable grounds to believe that a worker is employed therein or

thereat, and test, take such samples and make such examinations as he considers necessary or advisable;

(*b*) require the production of the records, documents and reports kept pursuant to this Act, and inspect, examine and make a copy of any of them;

(*c*) make such examination and inquiry as may be necessary to ascertain whether the provisions of this Act are being complied with;

(*d*) require any person whom he finds in or at a place of employment or working place to give such information as it is in his power to give as to who is the person in charge of the operation of the place of employment or working place;

(*e*) take with him to a place of employment or working place, one or more persons to assist him, and may make arrangements with the person in charge of the operation of a place of employment or working place for an assistant to enter the place of employment or the working place and conduct tests or take samples;

(*f*) do such other things as may be authorized by the Minister.

Idem

(2) The person in charge of the operation of a place of employment or working place and his agents and servants shall furnish such means required by an occupational health officer as are necessary for an entry, inspection, examination, inquiry, the making of tests and the taking of samples or otherwise for the exercise of his powers under this Act in relation to that place of employment or working place.

Appointment of medical practitioner as chief occupational medical officer

7. The Minister shall appoint as chief occupational medical officer for the purposes of this Act a person who is a legally qualified medical practitioner and who has training and experience in occupational health.

Appointment of Occupational Health Council

8.—(1) Subject to subsection 2, the Lieutenant Governor in Council may appoint a council to be known as the Occupational Health Council consisting of not less than nine or more than twelve persons whose particular knowledge and experience would be of assistance in the giving of advice concerning the protection and promotion of the health and safety of persons at work and with respect to occupational health generally.

(2) The membership of the council shall include persons who represent agriculture and management and labour respectively in the field of industry. Membership

(3) One of the members of the council shall be designated as chairman by the Lieutenant Governor in Council. Chairman

(4) The member designated as chairman shall hold office at the pleasure of the Lieutenant Governor in Council. Term of office

(5) The members of the council other than the chairman shall be appointed for terms of office of such duration so that at any given time there will likely be some members who will have been in office for a sufficient period to have gained experience as council members. Idem

(6) Each member of the council shall hold office until his successor is appointed and may be reappointed from time to time. Idem

(7) The council shall meet at the call of the Minister or the chairman but in any case at least once a year. Time of meetings

9. The council may make recommendations to the Minister, Duties and powers of council

(*a*) concerning occupational health generally and the protection of the health and safety of workers in specific kinds of situations;

(*b*) concerning the appointment of other committees by the Minister to assist in the administration of this Act;

(*c*) concerning any other matter referred to it by the Minister for recommendation.

10. The Minister may, on the recommendation of the council, appoint such other committees and assign to them such duties as he deems advisable. Appointment of other committees

11. The Minister may, Certain powers of Minister

(*a*) appoint consultants and professional and technical personnel including legally qualified medical practitioners;

(*b*) conduct seminars and courses of training and take other measures for improving the qualifications of persons directly concerned with occupational health

or being employed or intending to become employed in an occupational health service;

(*c*) provide such facilities and services in the field of occupational rehabilitation as he deems advisable.

Power to require medical supervision

12.—(1) Where it appears to the Minister upon the advice of the chief occupational medical officer,

(*a*) that in any place of employment or in any class of place of employment or in any occupation,

(i) cases of illness have occurred which he has reason to believe may be due to the nature of a process or other conditions of work,

(ii) by reason of changes in any process or in the substances used in any process, or by reason of the introduction of any new process or new substance for use in a process, there may be risk of injury to the health of persons employed in that process, or

(iii) a serious environmental hazard has been created of such a degree that an adverse effect upon the health of the persons exposed to such hazard could have resulted; or

(*b*) that there may be risk of injury to the health of persons employed in a place of employment,

(i) from any substance or material brought to the place of employment to be used or handled therein, or

(ii) from any change in the conditions of work or other conditions in the place of employment,

he may by order, upon receiving the recommendation of the chief occupational medical officer to that effect, require such reasonable arrangements to be made for the medical supervision of the persons, or any class of the persons, employed at that place of employment or class of place of employment or the persons engaged in such occupation, as the case may be, as he considers advisable.

Interpretation

(2) In this section, "medical supervision" includes both complete and partial medical examinations and the making of such examinations at stated intervals.

13.—(1) Where the Minister is of the opinion that any manufacture, machinery, plant, equipment, appliance, process or description of manual labour at a place of employment or a working place is of such a nature as to cause risk of bodily injury or ill health to the persons employed thereat or any class of those persons, he may by order require the person in charge of the operation of the place of employment or working place, as the case may be, to do such things for the protection of those persons as appear to him to be reasonably practicable and to meet the necessity of the case. Order for protective measures where risk of injury

(2) An order made by the Minister under subsection 1 may, Order of Minister

(*a*) prohibit the employment of, or modify or limit the hours of employment of, all persons or any class of persons in connection with any manufacture, machinery, plant, process or description of manual labour;

(*b*) prohibit, limit or control the use of any material, process or equipment; or

(*c*) impose duties on employees as well as on the persons in charge of the operation of places of employment and working places.

14.—(1) Any person aggrieved by an order of the Minister made under section 13 may appeal against the order to a judge of a county or district court at any time within sixty days after the date of the order. Appeal of certain orders to judge of county or district court

(2) An appeal under subsection 1 shall be by notice of motion, which shall be served on the Minister and on such other persons as the judge may direct. Appeal by notice of motion

(3) Upon an appeal, the judge may dispose of the matter in a summary way or direct an issue to be tried in court. Disposition of judge

15. Any person who was a party to an appeal under section 14 and who is aggrieved by a decision of the court or judge made on the appeal may, within thirty days after the date of the decision, appeal against the decision to the Supreme Court in accordance with the rules of court. Appeal to Supreme Court

16. The taking of an appeal under section 14 or 15 does not stay the operation of the order in respect of which the appeal is taken. Appeal does not stay order

Reports to be furnished by medical practitioner, hospital, etc.

17.—(1) Every legally qualified medical practitioner or other qualified person attending or consulted respecting a person who became ill or injured,

(*a*) while employed at a place of employment or a working place; or

(*b*) while being otherwise engaged in an occupation,

shall furnish without charge to the chief occupational medical officer upon request of the officer such reports concerning the illness or injury of the person as the chief occupational medical officer may require for the purposes of this Act.

Reports

(2) Where an ill or injured person of the kind mentioned in subsection 1 is or has been a patient in a hospital, the person in charge of the administrative affairs of that hospital shall furnish without charge to the chief occupational medical officer upon request such reports concerning the illness or injury of the person as the chief occupational medical officer may require for the purposes of this Act.

Medical examination required in certain cases

18. Where the Minister is of the opinion that a person employed at a place of employment or working place has become or may become ill as a consequence of being exposed to any substance, process or environmental condition, he may by order, upon receiving the recommendation of the chief occupational medical officer to that effect, require that person to undergo a medical examination and require the legally qualified medical practitioner conducting the examination to furnish the chief occupational medical officer with such reports respecting the examination as the chief occupational medical officer may require.

Occupational health committee in certain places of employment

19.—(1) In every place of employment at which ten or more persons are employed, the person in charge of the operation of the place of employment shall cause a committee to be established to be known as an occupational health committee.

Members of committee

(2) The committee shall consist of not less than two or more than twelve persons of whom at least half shall be persons representing employees other than employees connected with the management of the place of employment, and either elected by the employees they represent or appointed in accordance with the constitution of the labour union of which the employees are members.

(3) The committee shall have a continuing concern with respect to the health and safety of the persons employed in the place of employment. Duty of committee

(4) The person in charge of the operation of the place of employment shall cause the names of the committee to be posted in a conspicuous place. Posting

(5) The duties of the committee include, Duties of committee

(*a*) the receipt, consideration and disposition of complaints respecting the health and safety of the employees;

(*b*) participation in the identification and control of health and safety hazards within the place of employment;

(*c*) co-operation with the occupational health service if such a service has been established within the place of employment;

(*d*) the establishment and promotion of health and safety programs for the education and information of the employees; and

(*e*) the maintenance of records in connection with the receipt and disposition of complaints and the attendance to other matters relating to the duties of the committee.

20.—(1) The Minister may designate a place of employment or a class of a place of employment as requiring an occupational health service, having regard to the type of industry being carried on therein, the number of persons employed thereat and the degree of hazard thereof. Where occupational health service required

(2) Where a place of employment has been designated or is a member of a class of a place of employment designated under subsection 1, the person in charge of the operation of the place of employment shall cause an occupational health service to be established and maintained for the place of employment in accordance with this section. Occupational health service to be established

(3) The Minister may specify the services that are to be provided by the occupational health service for any place of employment or for a place of employment that is a member of a class of a place of employment designated under subsection 1. Services to be provided

Approval of Minister

(4) The establishment and continued operation of an occupational health service shall be subject to the approval of the Minister.

Regulations

21. The Lieutenant Governor in Council may make regulations,

(*a*) prescribing the standards to be established and maintained by the persons in charge of places of employment or working places for the protection of the health and safety of the persons employed thereat;

(*b*) classifying places of employment;

(*c*) defining certain processes, substances and working places as being hazardous and prescribing measures to be taken for the protection of the health and safety of persons exposed thereto;

(*d*) prescribing the measures to be taken by the person in charge of the operation of every place of employment that is a member of a class of place of employment specified in the regulations for the purpose of this clause for the protection of the health and safety of the persons employed thereat;

(*e*) specifying those diseases and conditions contracted or received by a worker or concerning which the chief occupational medical officer is required to be notified and prescribing the manner of notification and the records to be maintained in connection with any specified disease or condition;

(*f*) requiring plans of any new plant or extension of an existing plant, including the details of the processes and materials to be used, to be furnished to the department in connection with such classes of places of employment as may be specified in the regulations for the purpose of this clause;

(*g*) prescribing conditions of employment, and requiring medical examinations at regular intervals, for those classes of workers specified in the regulations for the purpose of this clause who by reason of age, sex or pregnancy are or may be specially subject to risk of injury or ill health caused by the hazards of the working environment.

22. This Act applies to, Application to Crown

(*a*) the Crown in right of Ontario and every Ministry, board, commission and other agency of the Crown and any Crown Corporation; and

(*b*) the Crown in right of Canada in so far as the Crown in right of Canada may submit to the operation of this Act.

23.—(1) A person who contravenes any of the provisions of this Act or the regulations or who fails to comply with an order made by the Minister under this Act is guilty of an offence and liable on summary conviction to the fines provided by this section. Offences

(2) Where an offence is committed by an individual, the individual is liable, Penalties

(*a*) for a first offence, to a fine of not less than $10 or more than $100 and, in the case of a continuing offence to a further fine not exceeding $25 for each day during which the offence continues;

(*b*) for a second or subsequent offence, to a fine of not less than $100 or more than $500 and, in the case of a continuing offence to a further fine not exceeding $50 for each day during which the offence continues.

(3) Where an offence is committed by a corporation, the corporation is liable, Idem

(*a*) for a first offence, to a fine of not less than $100 or more than $1,000 and, in the case of a continuing offence to a further fine not exceeding $250 for each day during which the offence continues;

(*b*) for a second or subsequent offence, to a fine of not less than $1,000 or more than $5,000 and, in the case of a continuing offence to a further fine not exceeding $500 for each day during which the offence continues.

(4) Where default is made in payment of any fine, costs or sum ordered to be paid no imprisonment in default of the payment shall be ordered. No imprisonment

(5) The convicting provincial judge or justice of the peace shall upon request of the Minister supply the Minister with Copy of conviction to Minister

two certified copies of any conviction made by him under or pursuant to this Act.

Judgment

(6) The Minister or his solicitor or agent may, upon payment of the prescribed fee, file a certified copy of a conviction under this Act in the office of the local clerk of the county or district court, and when so filed the copy of the conviction shall, for the purpose of recovering the fine, costs or sum ordered to be paid, be entered as a judgment of the county or district court and may be enforced as a judgment of that court.

Commencement

24. This Act comes into force on a day to be named by proclamation of the Lieutenant Governor.

Short title

25. This Act may be cited as *The Occupational Health Act, 1976*.

An Act for the Promotion and Protection of the Health and Safety of Persons engaged in Occupations

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1st Reading

May 27th, 1976

2nd Reading

3rd Reading

MR. MARTEL

(*Private Member's Bill*)

1976

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to prohibit the Sale of Handcuffs

MR. GROSSMAN

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

The purpose of the Bill is to prevent the public sale of handcuffs.

BILL 93 **1976**

An Act to prohibit the Sale of Handcuffs

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. No person shall sell or offer for sale handcuffs except to a police force or a force designated by a police force. Sale of handcuffs prohibited

2. Every person who knowingly contravenes the provisions of section 1 and every director or officer of a corporation who knowingly concurs in such contravention is guilty of an offence and on summary conviction is liable to a fine of not more than $5,000 or to imprisonment for a term of not more than one year, or to both. Offence

3. This Act comes into force on the day it receives Royal Assent. Commencement

4. This Act may be cited as *The Handcuff Sales Prevention Act, 1976*. Short title

An Act to prohibit
the Sale of Handcuffs

1st Reading

May 27th, 1976

2nd Reading

3rd Reading

MR. GROSSMAN

(*Private Member's Bill*)

1976

BILL 94 **Government Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to provide certain Protections for Purchasers of New Homes

THE HON. S. B. HANDLEMAN
Minister of Consumer and Commercial Relations

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

The Bill establishes The Ontario New Homes Warranty Plan.

The Plan includes:

1. Provision for the registration of vendors and builders of new homes.
2. Warranties set out in the Bill and applying for one year.
3. Provision for indemnifying owners against loss due to default or breach of warranty by the vendor.
4. Indemnity against loss due to major structural defects for five years.
5. Provision for the benefits to apply to subsequent owners equally.

BILL 94 **1976**

An Act to provide certain Protections for Purchasers of New Homes

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act, Interpretation

(*a*) "builder" means a person who undertakes the performance of all the work and supply of all the materials necessary to construct a completed home whether for the purpose of sale by himself or under a contract with a vendor or owner;

(*b*) "Corporation" means the corporation designated under section 2;

(*c*) "guarantee fund" means the provision made by the Corporation for compensation under the Plan;

(*d*) "home" means,

(i) a self-contained one-family dwelling, detached or attached to one or more others by common wall,

(ii) a building composed of more than one and not more than two self-contained, one-family dwellings under one ownership,

(iii) a condominium dwelling unit, including the common elements, or

(iv) any other dwelling of a class prescribed by the regulations as a home to which this Act applies,

and includes any structure or appurtenance used in conjunction therewith, but does not include a

dwelling built and sold for occupancy for temporary periods or for seasonal purposes;

(*e*) "inspector" means an inspector appointed by the Corporation under section 18;

(*f*) "Minister" means the Minister of Consumer and Commercial Relations;

(*g*) "owner" means a person who first acquires a home from its vendor for occupancy, and his successors in title;

(*h*) "Plan" means the Ontario New Home Warranties Plan established under section 11;

(*i*) "prescribed" means prescribed by the regulations;

(*j*) "Registrar" means the Registrar appointed by the Corporation under section 3;

(*k*) "regulations" means the by-laws of the Corporation made under section 23;

(*l*) "sell" includes entering into an agreement to sell;

(*m*) "Tribunal" means The Commercial Registration Appeal Tribunal under *The Ministry of Consumer and Commercial Relations Act*;

R.S.O. 1970, c. 113

(*n*) "vendor" means a person who sells on his own behalf a home not previously occupied to an owner and includes a builder who constructs a home under a contract with the owner;

(*o*) "warranty" means a warranty set out in section 13.

Designation of Corporation

R.S.O. 1970, c. 89

2.—(1) The Lieutenant Governor in Council shall designate a non-profit corporation incorporated without share capital under *The Corporations Act* to be the Corporation for the purposes of this Act.

Objects

(2) Upon its designation, the objects of the Corporation are extended to include,

(*a*) the administration of the Ontario New Home Warranties Plan;

(*b*) the establishment and administration of a guarantee fund providing for the payment of compensation

under section 14, whether by the establishment of a fund for the purpose or by contract with licensed insurers;

(*c*) assisting in the conciliation of disputes between vendors and owners; and

(*d*) engaging in undertakings for the purpose of improving communications between vendors and owners.

Application of R.S.O. 1970, c. 224

(3) *The Insurance Act* does not apply to the Corporation and its undertakings in respect of any matter within its objects or authorized by this Act.

Registrar

3. The Corporation shall appoint a Registrar who shall perform the duties and exercise the powers given to him by this Act and the regulations under the supervision of the Corporation and shall perform such other duties as are assigned to him by the Corporation.

Revenues and expenses

4. All moneys payable under this Act to the Corporation shall be retained by the Corporation and applied to defray the expenses incurred and expenditures made in the carrying out of its duties under this Act and otherwise for the purposes of its objects set out in subsection 2 of section 2.

Annual reports

5. The Corporation shall make a report annually to the Minister upon the affairs of the Corporation, and the Minister shall submit the report to the Lieutenant Governor in Council and shall then lay the report before the Assembly if it is in session or, if not, at the next ensuing session.

Registration required

6. No person shall act as a vendor or a builder unless he is registered by the Registrar under this Act.

Registration of vendors and builders

7.—(1) An applicant is entitled to registration by the Registrar except where,

(*a*) having regard to his financial position, the applicant cannot reasonably be expected to be financially responsible in the conduct of his undertakings;

(*b*) the past conduct of the applicant affords reasonable grounds for belief that he will not carry on his undertakings in accordance with law and with integrity and honesty;

(*c*) the applicant is a corporation and,

(i) having regard to its financial position, it cannot reasonably be expected to be finan-

cially responsible in the conduct of its undertakings, or

(ii) the past conduct of its officers or directors affords reasonable grounds for belief that its undertakings will not be carried on in accordance with law and with integrity and honesty; or

(*d*) in the case of an application for registration as a builder, the applicant does not have sufficient technical competence to consistently perform the warranties.

Conditions of registration

(2) A registration is subject to such terms and conditions to give effect to the purposes of this Act as are consented to by the applicant or imposed by the Tribunal or prescribed by the regulations.

Registration not transferable

(3) A registration is not transferable.

Refusal to register

8.—(1) Subject to section 9, the Registrar may refuse to register an applicant where in the Registrar's opinion the applicant is disentitled to registration under section 7.

Revocation and refusal to renew

(2) Subject to section 9, the Registrar may refuse to renew or may suspend or revoke a registration for any reason that would disentitle the registrant to registration under section 7, if he were an applicant, or where the registrant has a record of breaches of warranties or of failure or unwillingness to complete performance of contracts or is in breach of a term or condition of the registration.

Notice of proposal to refuse or revoke

9.—(1) Where the Registrar proposes to refuse to grant or renew a registration or proposes to suspend or revoke a registration, he shall serve notice of his proposal, together with written reasons therefor, on the applicant or registrant.

Notice requiring hearing

(2) A notice under subsection 1 shall inform the applicant or registrant that he is entitled to a hearing by the Tribunal if he mails or delivers, within fifteen days after the notice under subsection 1 is served on him, notice in writing requiring a hearing to the Registrar and the Tribunal, and he may so require such a hearing.

Powers of Registrar where no hearing

(3) Where an applicant or registrant does not require a hearing by the Tribunal in accordance with subsection 2, the Registrar may carry out the proposal stated in his notice under subsection 1.

Powers of Tribunal

(4) Where an applicant or registrant requires a hearing by the Tribunal in accordance with subsection 2, the Tribunal shall appoint a time for and hold the hearing and, on the

application of the Registrar at the hearing, may by order direct the Registrar to carry out his proposal or refrain from carrying out his proposal and to take such action as the Tribunal considers the Registrar ought to take in accordance with this Act and the regulations, and for such purposes the Tribunal may substitute its opinion for that of the Registrar.

Conditions of order

(5) The Tribunal may attach such terms and conditions to its order or to the registration as it considers proper to give effect to the purposes of this Act.

Parties

(6) The Registrar, the applicant or registrant who has required the hearing and such other persons as the Tribunal may specify are parties to proceedings before the Tribunal under this section.

Voluntary cancellation

(7) Notwithstanding subsection 1, the Registrar may cancel a registration upon the request in writing of the registrant in the prescribed form surrendering his registration.

Continuance pending renewal

(8) Where, within the time prescribed therefor or, if no time is prescribed, before expiry of his registration, a registrant has applied for renewal of his registration and paid the prescribed fee, his registration shall be deemed to continue,

(*a*) until the renewal is granted; or

(*b*) where he is served with notice that the Registrar proposes to refuse to grant the renewal, until the time for giving notice requiring a hearing has expired and, where a hearing is required, until the Tribunal has made its order.

Order effective, stay R.S.O. 1970, c. 113

(9) Notwithstanding that a registrant appeals from an order of the Tribunal under section 9*b* of *The Ministry of Consumer and Commercial Relations Act*, the order takes effect immediately, but the Tribunal may grant a stay until disposition of the appeal.

Further applications

10. A further application for registration may be made upon new or other evidence or where it is clear that material circumstances have changed.

Ontario New Home Warranties Plan

11.—(1) The Ontario New Home Warranties Plan is established comprised of the warranties and the guarantee fund and compensation provided for by this Act.

Disclosures on entering into contract

(2) When a vendor enters into a contract for the sale

of a home to an owner or for the construction of a home for an owner, the vendor shall deliver to the owner such documentation and notices respecting the Plan as are prescribed by the regulations.

Notice of commencing construction

12. A builder shall not commence to construct a home until he has notified the Corporation of the fact, has provided the Corporation with such particulars as the Corporation requires, and has paid the prescribed fee to the Corporation.

Warranties

13.—(1) Every vendor of a home warrants to the owner,

(*a*) that the home,

(i) is constructed in a workmanlike manner, and is free from defects in material,

(ii) is fit for habitation; and

(iii) is constructed in accordance with the Ontario Building Code;

(*b*) that the home is free of major structural defects as defined by the regulations; and

(*c*) such other warranties as are prescribed by the regulations.

Exclusions

(2) A warranty under subsection 1 does not apply in respect of,

(*a*) defects in materials, design and workmanship supplied by the owner;

(*b*) secondary damage caused by defects, such as property damage and personal injury;

(*c*) normal wear and tear;

(*d*) normal shrinkage of materials caused by drying after construction;

(*e*) damage caused by dampness or condensation due to failure by the owner to maintain adequate ventilation;

(*f*) damage resulting from improper maintenance;

(*g*) alterations, deletions or additions made by the owner;

(*h*) subsidence of the land around the building or along utility lines, other than subsidence beneath the footings of the building;

(*i*) damage resulting from an act of God;

(*j*) damage caused by insects and rodents, except where construction is in contravention of the Ontario Building Code;

(*k*) damage caused by municipal services or other utilities;

(*l*) surface defects in workmanship and materials specified and accepted in writing by the owner at the date of possession.

Certificate of completion

(3) The vendor of a home shall deliver to the owner a certificate specifying the date upon which the home is completed for his possession and the warranties take effect from the date specified in the certificate.

Term of warranty under subs. 1

(4) A warranty under subsection 1 applies only in respect of claims made thereunder within one year after the warranty takes effect, or such longer time under such conditions as are prescribed.

Privity of contract

(5) A warranty is enforceable notwithstanding that there is no privity of contract between the owner and the vendor.

Application of warranties

(6) The warranties set out in subsection 1 apply notwithstanding any agreement or waiver to the contrary and are in addition to any other rights the owner may have and to any other warranty agreed upon.

Compensation

14.—(1) Where,

(*a*) a person who has entered into a contract with a vendor for the provision of a home has a cause of action in damages against the vendor for financial loss resulting from the bankruptcy of the vendor or the vendor's failure to perform the contract;

(*b*) an owner has a cause of action against a vendor for damages resulting from a breach of warranty; or

(*c*) the owner suffers damage because of a major structural defect as defined in the regulations for the purposes of section 13, and the claim is made

within four years after the warranty expires, or such longer time under such conditions as are prescribed,

the person or owner is entitled to be paid out of the guarantee fund the amount of such damage subject to such limits as are fixed by the regulations.

Other recovery

(2) In assessing damages, the Corporation shall take into consideration any benefit, compensation or indemnity payable to the person or owner from any source.

Performance

(3) The Corporation may perform or arrange for the performance of any work in lieu of or in mitigation of damages claimed under subsection 1.

Condominiums

15. For the purposes of sections 13 and 14, a condominium corporation shall be deemed to be the owner of the common elements of the condominium and the warranties take effect on the date of the registration of the declaration and description.

Notice of decision under s. 14

16.—(1) Where the Corporation makes a decision under section 14, it shall serve notice of the decision together with written reasons therefor, on the person or owner affected.

Notice requiring hearing

(2) A notice under subsection 1 shall inform the person served that he is entitled to a hearing by the Tribunal if he mails or delivers, within fifteen days after the notice under subsection 1 is served on him, notice in writing requiring a hearing to the Corporation and the Tribunal, and he may so require such a hearing.

Powers of Tribunal

(3) Where a person served requires a hearing by the Tribunal in accordance with subsection 2, the Tribunal shall appoint a time for and hold the hearing and may by order direct the Corporation to take such action as the Tribunal considers the Corporation ought to take in accordance with this Act and the regulations, and for such purposes the Tribunal may substitute its opinion for that of the Corporation.

Parties

(4) The Corporation, the person or owner who has required the hearing and such other persons as the Tribunal may specify are parties to proceedings before the Tribunal under this section.

Conciliation of disputes

17.—(1) The Corporation may, upon the request of an owner, conciliate any dispute between the owner and a vendor.

(2) Where there is a dispute between a vendor and an owner arising out of the contract, neither party shall commence any proceeding in respect thereof until after fifteen days after the party notifies the Corporation of the dispute for the purpose of giving the Corporation an opportunity to effect conciliation. Idem

(3) Each party to a dispute shall supply the Corporation with such particulars thereof as the Corporation requires. Information to Corporation

(4) Every agreement between a vendor and prospective owner shall be deemed to contain a written agreement to submit present or future differences to arbitration, subject to appeal to the Supreme Court, and *The Arbitrations Act* applies. Arbitration R.S.O. 1970, c. 25

18.—(1) The Corporation may appoint inspectors for the purposes of this Act. Inspectors

(2) An inspector may, for the purpose of inspecting a home during its construction, enter in or upon and inspect the premises constituting the site of the construction at any time without a warrant. Power of entry

(3) For the purposes of an inspection, the inspector may, Powers of inspector

(*a*) require the production of the drawings and specifications of a home or any part thereof, including any drawings prescribed by the regulations, for his inspection and may require information from any person concerning any matter related to a home or part thereof;

(*b*) be accompanied by any person who has special or expert knowledge of any matter in relation to a home or part thereof; and

(*c*) alone or in conjunction with such other person or persons possessing special or expert knowledge, make such examinations, tests, or inquiries as are necessary for the purposes of the inspection.

(4) No person shall hinder, obstruct, molest or interfere with or attempt to hinder, obstruct, molest or interfere with an inspector in the exercise of a power or performance of a duty under this Act. Obstruction of inspectors

Restraining order

19.—(1) Where it appears to the Corporation that any vendor or builder does not comply with any provision of this Act or the regulations, notwithstanding the imposition of any penalty in respect of such non-compliance and in addition to any other rights it may have, the Corporation may apply to a judge of the High Court for an order directing such person to comply with such provision, and, upon the application, the judge may make the order or such other order as the judge thinks fit.

Appeal

(2) An appeal lies to the Supreme Court from an order made under subsection 1.

Service of notice

20. Any notice or document required by this Act to be served or given may be served or given personally or by registered mail addressed to the person to whom notice is to be given at his last known address and, where notice is served or given by mail, the service shall be deemed to have been made on the fifth day after the day of mailing unless the person to whom notice is given establishes that he, acting in good faith, through absence, accident, illness or other cause beyond his control, did not receive the notice, or did not receive the notice until a later date.

Certificate of evidence

21. A statement as to,

(*a*) the registration or non-registration of any person;

(*b*) the filing or non-filing of any document or material required or permitted to be filed with the Corporation; or

(*c*) any other matter pertaining to such registration, non-registration, filing or non-filing,

purporting to be certified by the chairman of the board of directors of the Corporation is, without proof of the office or signature of the chairman, receivable in evidence as *prima facie* proof of the facts stated therein for all purposes in any action, proceeding or prosecution.

Offences

22.—(1) Every person who,

(*a*) knowingly furnishes false information in any application under this Act or in any statement or return required to be furnished under this Act or the regulations; or

(*b*) contravenes section 6 or 12 or subsection 4 of section 18,

and every director or officer of a corporation who knowingly concurs in such furnishing or contravention is guilty of an offence and on summary conviction is liable to a fine of not more than $2,000 or to imprisonment for a term of not more than one year, or to both.

(2) Where a corporation is convicted of an offence under subsection 1, the maximum penalty that may be imposed upon the corporation is $25,000 and not as provided therein. Corporation

23.—(1) The Corporation may make by-laws, By-laws

(*a*) governing applications for registration of vendors and builders and the expiration and renewal of registration;

(*b*) subject to the approval of the Lieutenant Governor in Council, prescribing terms and conditions of registration;

(*c*) requiring the payment of fees on applications for registration or renewal of registration and prescribing the amounts thereof;

(*d*) prescribing the fees payable by builders to the Corporation in respect of the construction of a home or any class of home;

(*e*) governing applications for and the issuance of certificates under section 11;

(*f*) governing agreements entered into between the Corporation and vendors;

(*g*) providing for the establishment and maintenance of the guarantee fund and governing procedures for claiming and determining claims for compensation from the guarantee fund;

(*h*) governing the procedures for conciliation of disputes and providing for the payment and refunding of fees respecting requests for conciliation;

(*i*) prescribing classes of dwellings for the purposes of subclause iv of clause *d* of section 1;

(*j*) specifying warranties in addition to those provided for in clause *a* or *b* of subsection 1 of section 13 and the time of expiration thereof;

(*k*) defining major structural defects for the purpose of clause *b* of subsection 1 of section 13;

(*l*) requiring vendors and builders to be bonded in such form and terms and with such collateral security as are prescribed, and providing for the forfeiture of bonds and the disposition of the proceeds;

(*m*) subrogating the Corporation or a named insurer to any right of recovery of a person in respect of a claim paid out of the insurance under the Plan and costs and providing the terms and conditions under which an action to enforce such rights may be begun, conducted and settled;

(*n*) prescribing any matter required or authorized by this Act to be, or referred to in this Act as, prescribed by the regulations;

(*o*) prescribing forms for the purposes of the Corporation.

Application of R.S.O. 1970, c. 410

(2) A by-law passed under subsection 1 shall be deemed to be a regulation to which *The Regulations Act* applies.

Commencement

24. This Act comes into force on a day to be named by proclamation of the Lieutenant Governor.

Short title

25. This Act may be cited as *The Ontario New Home Warranties Plan Act, 1976*.

An Act to provide
certain Protections for
Purchasers of New Homes

1st Reading

May 31st, 1976

2nd Reading

3rd Reading

THE HON. S. B. HANDLEMAN
Minister of Consumer and
Commercial Relations

(*Government Bill*)

1976

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to provide certain Protections for Purchasers of New Homes

THE HON. S. B. HANDLEMAN
Minister of Consumer and Commercial Relations

(Reprinted as amended by the Committee of the Whole House)

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

The Bill establishes The Ontario New Homes Warranty Plan.

The Plan includes:

1. Provision for the registration of vendors and builders of new homes.
2. Warranties set out in the Bill and applying for one year.
3. Provision for indemnifying owners against loss due to default or breach of warranty by the vendor.
4. Indemnity against loss due to major structural defects for five years.
5. Provision for the benefits to apply to subsequent owners equally.

BILL 94 **1976**

An Act to provide certain Protections for Purchasers of New Homes

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act, Interpretation

(*a*) "builder" means a person who undertakes the performance of all the work and supply of all the materials necessary to construct a completed home whether for the purpose of sale by himself or under a contract with a vendor or owner;

(*b*) "Corporation" means the corporation designated under section 2;

(*c*) "guarantee fund" means the provision made by the Corporation for compensation under the Plan;

(*d*) "home" means,

(i) a self-contained one-family dwelling, detached or attached to one or more others by common wall,

(ii) a building composed of more than one and not more than two self-contained, one-family dwellings under one ownership,

(iii) a condominium dwelling unit, including the common elements, or

(iv) any other dwelling of a class prescribed by the regulations as a home to which this Act applies,

and includes any structure or appurtenance used in conjunction therewith, but does not include a

dwelling built and sold for occupancy for temporary periods or for seasonal purposes;

(*e*) "inspector" means an inspector appointed by the Corporation under section 18;

(*f*) "Minister" means the Minister of Consumer and Commercial Relations;

(*g*) "owner" means a person who first acquires a home from its vendor for occupancy, and his successors in title;

(*h*) "Plan" means the Ontario New Home Warranties Plan established under section 11;

(*i*) "prescribed" means prescribed by the regulations;

(*j*) "Registrar" means the Registrar appointed by the Corporation under section 3;

(*k*) "regulations" means the by-laws of the Corporation made under section 23;

(*l*) "sell" includes entering into an agreement to sell;

R.S.O. 1970, c. 113

(*m*) "Tribunal" means The Commercial Registration Appeal Tribunal under *The Ministry of Consumer and Commercial Relations Act*;

(*n*) "vendor" means a person who sells on his own behalf a home not previously occupied to an owner and includes a builder who constructs a home under a contract with the owner;

(*o*) "warranty" means a warranty set out in section 13.

Designation of Corporation

R.S.O. 1970, c. 89

2.—(1) The Lieutenant Governor in Council shall designate a non-profit corporation incorporated without share capital under *The Corporations Act* to be the Corporation for the purposes of this Act.

Objects

(2) Upon its designation, the objects of the Corporation are extended to include,

(*a*) the administration of the Ontario New Home Warranties Plan;

(*b*) the establishment and administration of a guarantee fund providing for the payment of compensation

under section 14, whether by the establishment of a fund for the purpose or by contract with licensed insurers;

(*c*) assisting in the conciliation of disputes between vendors and owners; and

(*d*) engaging in undertakings for the purpose of improving communications between vendors and owners.

Application of R.S.O. 1970, c. 224

(3) *The Insurance Act* does not apply to the Corporation and its undertakings in respect of any matter within its objects or authorized by this Act.

Registrar

3. The Corporation shall appoint a Registrar who shall perform the duties and exercise the powers given to him by this Act and the regulations under the supervision of the Corporation and shall perform such other duties as are assigned to him by the Corporation.

Revenues and expenses

4. All moneys payable under this Act to the Corporation shall be retained by the Corporation and applied to defray the expenses incurred and expenditures made in the carrying out of its duties under this Act and otherwise for the purposes of its objects set out in subsection 2 of section 2.

Annual reports

5. The Corporation shall make a report annually to the Minister upon the affairs of the Corporation, and the Minister shall submit the report to the Lieutenant Governor in Council and shall then lay the report before the Assembly if it is in session or, if not, at the next ensuing session.

Registration required

6. No person shall act as a vendor or a builder unless he is registered by the Registrar under this Act.

Registration of vendors and builders

7.—(1) An applicant is entitled to registration by the Registrar except where,

(*a*) having regard to his financial position, the applicant cannot reasonably be expected to be financially responsible in the conduct of his undertakings;

(*b*) the past conduct of the applicant affords reasonable grounds for belief that he will not carry on his undertakings in accordance with law and with integrity and honesty;

(*c*) the applicant is a corporation and,

(i) having regard to its financial position, it cannot reasonably be expected to be finan-

cially responsible in the conduct of its undertakings, or

(ii) the past conduct of its officers or directors affords reasonable grounds for belief that its undertakings will not be carried on in accordance with law and with integrity and honesty; or

(*d*) in the case of an application for registration as a builder, the applicant does not have sufficient technical competence to consistently perform the warranties.

Conditions of registration

(2) A registration is subject to such terms and conditions to give effect to the purposes of this Act as are consented to by the applicant or imposed by the Tribunal or prescribed by the regulations.

Registration not transferable

(3) A registration is not transferable.

Refusal to register

8.—(1) Subject to section 9, the Registrar may refuse to register an applicant where in the Registrar's opinion the applicant is disentitled to registration under section 7.

Revocation and refusal to renew

(2) Subject to section 9, the Registrar may refuse to renew or may suspend or revoke a registration for any reason that would disentitle the registrant to registration under section 7, if he were an applicant, or where the registrant has a record of breaches of warranties or of failure or unwillingness to complete performance of contracts or is in breach of a term or condition of the registration.

Notice of proposal to refuse or revoke

9.—(1) Where the Registrar proposes to refuse to grant or renew a registration or proposes to suspend or revoke a registration, he shall serve notice of his proposal, together with written reasons therefor, on the applicant or registrant.

Notice requiring hearing

(2) A notice under subsection 1 shall inform the applicant or registrant that he is entitled to a hearing by the Tribunal if he mails or delivers, within fifteen days after the notice under subsection 1 is served on him, notice in writing requiring a hearing to the Registrar and the Tribunal, and he may so require such a hearing.

Powers of Registrar where no hearing

(3) Where an applicant or registrant does not require a hearing by the Tribunal in accordance with subsection 2, the Registrar may carry out the proposal stated in his notice under subsection 1.

Powers of Tribunal

(4) Where an applicant or registrant requires a hearing by the Tribunal in accordance with subsection 2, the Tribunal shall appoint a time for and hold the hearing and, on the

application of the Registrar at the hearing, may by order direct the Registrar to carry out his proposal or refrain from carrying out his proposal and to take such action as the Tribunal considers the Registrar ought to take in accordance with this Act and the regulations, and for such purposes the Tribunal may substitute its opinion for that of the Registrar.

Conditions of order

(5) The Tribunal may attach such terms and conditions to its order or to the registration as it considers proper to give effect to the purposes of this Act.

Parties

(6) The Registrar, the applicant or registrant who has required the hearing and such other persons as the Tribunal may specify are parties to proceedings before the Tribunal under this section.

Voluntary cancellation

(7) Notwithstanding subsection 1, the Registrar may cancel a registration upon the request in writing of the registrant in the prescribed form surrendering his registration.

Continuance pending renewal

(8) Where, within the time prescribed therefor or, if no time is prescribed, before expiry of his registration, a registrant has applied for renewal of his registration and paid the prescribed fee, his registration shall be deemed to continue,

(*a*) until the renewal is granted; or

(*b*) where he is served with notice that the Registrar proposes to refuse to grant the renewal, until the time for giving notice requiring a hearing has expired and, where a hearing is required, until the Tribunal has made its order.

Order effective, stay R.S.O. 1970, c. 113

(9) Notwithstanding that a registrant appeals from an order of the Tribunal under section 9*b* of *The Ministry of Consumer and Commercial Relations Act*, the order takes effect immediately, but the Tribunal may grant a stay until disposition of the appeal.

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(iii) is constructed in accordance with the Ontario Building Code;

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Certificate of completion

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(*c*) alone or in conjunction with such other person or persons possessing special or expert knowledge, make such examinations, tests, or inquiries as are necessary for the purposes of the inspection.

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Restraining order

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Appeal

(2) An appeal lies to the Supreme Court from an order made under subsection 1.

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purporting to be certified by the chairman of the board of directors of the Corporation is, without proof of the office or signature of the chairman, receivable in evidence as *prima facie* proof of the facts stated therein for all purposes in any action, proceeding or prosecution.

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and every director or officer of a corporation who knowingly concurs in such furnishing or contravention is guilty of an offence and on summary conviction is liable to a fine of not more than $2,000 or to imprisonment for a term of not more than one year, or to both.

Corporation

(2) Where a corporation is convicted of an offence under subsection 1, the maximum penalty that may be imposed upon the corporation is $25,000 and not as provided therein.

By-laws

23.—(1) The Corporation may make by-laws,

(*a*) governing applications for registration of vendors and builders and the expiration and renewal of registration;

(*b*) subject to the approval of the Lieutenant Governor in Council, prescribing terms and conditions of registration;

(*c*) requiring the payment of fees on applications for registration or renewal of registration and prescribing the amounts thereof;

(*d*) prescribing the fees payable by builders to the Corporation in respect of the construction of a home or any class of home;

(*e*) governing applications for and the issuance of certificates under section 11;

(*f*) governing agreements entered into between the Corporation and vendors;

(*g*) providing for the establishment and maintenance of the guarantee fund and governing procedures for claiming and determining claims for compensation from the guarantee fund;

(*h*) governing the procedures for conciliation of disputes and providing for the payment and refunding of fees respecting requests for conciliation;

(*i*) prescribing classes of dwellings for the purposes of subclause iv of clause *d* of section 1;

(*j*) specifying warranties in addition to those provided for in clause *a* or *b* of subsection 1 of section 13 and the time of expiration thereof;

(*k*) defining major structural defects for the purpose of clause *b* of subsection 1 of section 13;

(*l*) requiring vendors and builders to be bonded in such form and terms and with such collateral security as are prescribed, and providing for the forfeiture of bonds and the disposition of the proceeds;

(*m*) subrogating the Corporation or a named insurer to any right of recovery of a person in respect of a claim paid out of the insurance under the Plan and costs and providing the terms and conditions under which an action to enforce such rights may be begun, conducted and settled;

(*n*) prescribing any matter required or authorized by this Act to be, or referred to in this Act as, prescribed by the regulations;

(*o*) prescribing forms for the purposes of the Corporation.

Application of R.S.O. 1970, c. 410

(2) A by-law passed under subsection 1 shall be deemed to be a regulation to which *The Regulations Act* applies.

Act binds Crown

(3) This Act, except sections 6 to 10, binds the Crown.

Commencement

24. This Act comes into force on a day to be named by proclamation of the Lieutenant Governor.

Short title

25. This Act may be cited as *The Ontario New Home Warranties Plan Act, 1976*.



An Act to provide
certain Protections for
Purchasers of New Homes

1st Reading

May 31st, 1976

2nd Reading

June 14th, 1976

3rd Reading

THE HON. S. B. HANDLEMAN
Minister of Consumer and
Commercial Relations

(*Reprinted as amended by the Committee of the Whole House*)

1976

BILL 94

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to provide certain Protections for Purchasers of New Homes

THE HON. S. B. HANDLEMAN
Minister of Consumer and Commercial Relations

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 94 **1976**

An Act to provide certain Protections for Purchasers of New Homes

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act, Interpretation

(*a*) "builder" means a person who undertakes the performance of all the work and supply of all the materials necessary to construct a completed home whether for the purpose of sale by himself or under a contract with a vendor or owner;

(*b*) "Corporation" means the corporation designated under section 2;

(*c*) "guarantee fund" means the provision made by the Corporation for compensation under the Plan;

(*d*) "home" means,

(i) a self-contained one-family dwelling, detached or attached to one or more others by common wall,

(ii) a building composed of more than one and not more than two self-contained, one-family dwellings under one ownership,

(iii) a condominium dwelling unit, including the common elements, or

(iv) any other dwelling of a class prescribed by the regulations as a home to which this Act applies,

and includes any structure or appurtenance used in conjunction therewith, but does not include a

dwelling built and sold for occupancy for temporary periods or for seasonal purposes;

(*e*) "inspector" means an inspector appointed by the Corporation under section 18;

(*f*) "Minister" means the Minister of Consumer and Commercial Relations;

(*g*) "owner" means a person who first acquires a home from its vendor for occupancy, and his successors in title;

(*h*) "Plan" means the Ontario New Home Warranties Plan established under section 11;

(*i*) "prescribed" means prescribed by the regulations;

(*j*) "Registrar" means the Registrar appointed by the Corporation under section 3;

(*k*) "regulations" means the by-laws of the Corporation made under section 23;

(*l*) "sell" includes entering into an agreement to sell;

(*m*) "Tribunal" means The Commercial Registration Appeal Tribunal under *The Ministry of Consumer and Commercial Relations Act*;

R.S.O. 1970, c. 113

(*n*) "vendor" means a person who sells on his own behalf a home not previously occupied to an owner and includes a builder who constructs a home under a contract with the owner;

(*o*) "warranty" means a warranty set out in section 13.

Designation of Corporation

2.—(1) The Lieutenant Governor in Council shall designate a non-profit corporation incorporated without share capital under *The Corporations Act* to be the Corporation for the purposes of this Act.

R.S.O. 1970, c. 89

Objects

(2) Upon its designation, the objects of the Corporation are extended to include,

(*a*) the administration of the Ontario New Home Warranties Plan;

(*b*) the establishment and administration of a guarantee fund providing for the payment of compensation

under section 14, whether by the establishment of a fund for the purpose or by contract with licensed insurers;

(*c*) assisting in the conciliation of disputes between vendors and owners; and

(*d*) engaging in undertakings for the purpose of improving communications between vendors and owners.

Application of R.S.O. 1970, c. 224

(3) *The Insurance Act* does not apply to the Corporation and its undertakings in respect of any matter within its objects or authorized by this Act.

Registrar

3. The Corporation shall appoint a Registrar who shall perform the duties and exercise the powers given to him by this Act and the regulations under the supervision of the Corporation and shall perform such other duties as are assigned to him by the Corporation.

Revenues and expenses

4. All moneys payable under this Act to the Corporation shall be retained by the Corporation and applied to defray the expenses incurred and expenditures made in the carrying out of its duties under this Act and otherwise for the purposes of its objects set out in subsection 2 of section 2.

Annual reports

5. The Corporation shall make a report annually to the Minister upon the affairs of the Corporation, and the Minister shall submit the report to the Lieutenant Governor in Council and shall then lay the report before the Assembly if it is in session or, if not, at the next ensuing session.

Registration required

6. No person shall act as a vendor or a builder unless he is registered by the Registrar under this Act.

Registration of vendors and builders

7.—(1) An applicant is entitled to registration by the Registrar except where,

(*a*) having regard to his financial position, the applicant cannot reasonably be expected to be financially responsible in the conduct of his undertakings;

(*b*) the past conduct of the applicant affords reasonable grounds for belief that he will not carry on his undertakings in accordance with law and with integrity and honesty;

(*c*) the applicant is a corporation and,

(i) having regard to its financial position, it cannot reasonably be expected to be finan-

cially responsible in the conduct of its undertakings, or

(ii) the past conduct of its officers or directors affords reasonable grounds for belief that its undertakings will not be carried on in accordance with law and with integrity and honesty; or

(*d*) in the case of an application for registration as a builder, the applicant does not have sufficient technical competence to consistently perform the warranties.

Conditions of registration

(2) A registration is subject to such terms and conditions to give effect to the purposes of this Act as are consented to by the applicant or imposed by the Tribunal or prescribed by the regulations.

Registration not transferable

(3) A registration is not transferable.

Refusal to register

8.—(1) Subject to section 9, the Registrar may refuse to register an applicant where in the Registrar's opinion the applicant is disentitled to registration under section 7.

Revocation and refusal to renew

(2) Subject to section 9, the Registrar may refuse to renew or may suspend or revoke a registration for any reason that would disentitle the registrant to registration under section 7, if he were an applicant, or where the registrant has a record of breaches of warranties or of failure or unwillingness to complete performance of contracts or is in breach of a term or condition of the registration.

Notice of proposal to refuse or revoke

9.—(1) Where the Registrar proposes to refuse to grant or renew a registration or proposes to suspend or revoke a registration, he shall serve notice of his proposal, together with written reasons therefor, on the applicant or registrant.

Notice requiring hearing

(2) A notice under subsection 1 shall inform the applicant or registrant that he is entitled to a hearing by the Tribunal if he mails or delivers, within fifteen days after the notice under subsection 1 is served on him, notice in writing requiring a hearing to the Registrar and the Tribunal, and he may so require such a hearing.

Powers of Registrar where no hearing

(3) Where an applicant or registrant does not require a hearing by the Tribunal in accordance with subsection 2, the Registrar may carry out the proposal stated in his notice under subsection 1.

Powers of Tribunal

(4) Where an applicant or registrant requires a hearing by the Tribunal in accordance with subsection 2, the Tribunal shall appoint a time for and hold the hearing and, on the

application of the Registrar at the hearing, may by order direct the Registrar to carry out his proposal or refrain from carrying out his proposal and to take such action as the Tribunal considers the Registrar ought to take in accordance with this Act and the regulations, and for such purposes the Tribunal may substitute its opinion for that of the Registrar.

Conditions of order

(5) The Tribunal may attach such terms and conditions to its order or to the registration as it considers proper to give effect to the purposes of this Act.

Parties

(6) The Registrar, the applicant or registrant who has required the hearing and such other persons as the Tribunal may specify are parties to proceedings before the Tribunal under this section.

Voluntary cancellation

(7) Notwithstanding subsection 1, the Registrar may cancel a registration upon the request in writing of the registrant in the prescribed form surrendering his registration.

Continuance pending renewal

(8) Where, within the time prescribed therefor or, if no time is prescribed, before expiry of his registration, a registrant has applied for renewal of his registration and paid the prescribed fee, his registration shall be deemed to continue,

(*a*) until the renewal is granted; or

(*b*) where he is served with notice that the Registrar proposes to refuse to grant the renewal, until the time for giving notice requiring a hearing has expired and, where a hearing is required, until the Tribunal has made its order.

Order effective, stay R.S.O. 1970, c. 113

(9) Notwithstanding that a registrant appeals from an order of the Tribunal under section 9*b* of *The Ministry of Consumer and Commercial Relations Act*, the order takes effect immediately, but the Tribunal may grant a stay until disposition of the appeal.

Further applications

10. A further application for registration may be made upon new or other evidence or where it is clear that material circumstances have changed.

Ontario New Home Warranties Plan

11.—(1) The Ontario New Home Warranties Plan is established comprised of the warranties and the guarantee fund and compensation provided for by this Act.

Disclosures on entering into contract

(2) When a vendor enters into a contract for the sale

of a home to an owner or for the construction of a home for an owner, the vendor shall deliver to the owner such documentation and notices respecting the Plan as are prescribed by the regulations.

Notice of commencing construction

12. A builder shall not commence to construct a home until he has notified the Corporation of the fact, has provided the Corporation with such particulars as the Corporation requires, and has paid the prescribed fee to the Corporation.

Warranties

13.—(1) Every vendor of a home warrants to the owner,

(*a*) that the home,

(i) is constructed in a workmanlike manner, and is free from defects in material,

(ii) is fit for habitation; and

(iii) is constructed in accordance with the Ontario Building Code;

(*b*) that the home is free of major structural defects as defined by the regulations; and

(*c*) such other warranties as are prescribed by the regulations.

Exclusions

(2) A warranty under subsection 1 does not apply in respect of,

(*a*) defects in materials, design and workmanship supplied by the owner;

(*b*) secondary damage caused by defects, such as property damage and personal injury;

(*c*) normal wear and tear;

(*d*) normal shrinkage of materials caused by drying after construction;

(*e*) damage caused by dampness or condensation due to failure by the owner to maintain adequate ventilation;

(*f*) damage resulting from improper maintenance;

(*g*) alterations, deletions or additions made by the owner;

(*h*) subsidence of the land around the building or along utility lines, other than subsidence beneath the footings of the building;

(*i*) damage resulting from an act of God;

(*j*) damage caused by insects and rodents, except where construction is in contravention of the Ontario Building Code;

(*k*) damage caused by municipal services or other utilities;

(*l*) surface defects in workmanship and materials specified and accepted in writing by the owner at the date of possession.

Certificate of completion

(3) The vendor of a home shall deliver to the owner a certificate specifying the date upon which the home is completed for his possession and the warranties take effect from the date specified in the certificate.

Term of warranty under subs. 1

(4) A warranty under subsection 1 applies only in respect of claims made thereunder within one year after the warranty takes effect, or such longer time under such conditions as are prescribed.

Privity of contract

(5) A warranty is enforceable notwithstanding that there is no privity of contract between the owner and the vendor.

Application of warranties

(6) The warranties set out in subsection 1 apply notwithstanding any agreement or waiver to the contrary and are in addition to any other rights the owner may have and to any other warranty agreed upon.

Compensation

14.—(1) Where,

(*a*) a person who has entered into a contract with a vendor for the provision of a home has a cause of action in damages against the vendor for financial loss resulting from the bankruptcy of the vendor or the vendor's failure to perform the contract;

(*b*) an owner has a cause of action against a vendor for damages resulting from a breach of warranty; or

(*c*) the owner suffers damage because of a major structural defect as defined in the regulations for the purposes of section 13, and the claim is made

within four years after the warranty expires, or such longer time under such conditions as are prescribed,

the person or owner is entitled to be paid out of the guarantee fund the amount of such damage subject to such limits as are fixed by the regulations.

Other recovery

(2) In assessing damages, the Corporation shall take into consideration any benefit, compensation or indemnity payable to the person or owner from any source.

Performance

(3) The Corporation may perform or arrange for the performance of any work in lieu of or in mitigation of damages claimed under subsection 1.

Condominiums

15. For the purposes of sections 13 and 14, a condominium corporation shall be deemed to be the owner of the common elements of the condominium and the warranties take effect on the date of the registration of the declaration and description.

Notice of decision under s. 14

16.—(1) Where the Corporation makes a decision under section 14, it shall serve notice of the decision together with written reasons therefor, on the person or owner affected.

Notice requiring hearing

(2) A notice under subsection 1 shall inform the person served that he is entitled to a hearing by the Tribunal if he mails or delivers, within fifteen days after the notice under subsection 1 is served on him, notice in writing requiring a hearing to the Corporation and the Tribunal, and he may so require such a hearing.

Powers of Tribunal

(3) Where a person served requires a hearing by the Tribunal in accordance with subsection 2, the Tribunal shall appoint a time for and hold the hearing and may by order direct the Corporation to take such action as the Tribunal considers the Corporation ought to take in accordance with this Act and the regulations, and for such purposes the Tribunal may substitute its opinion for that of the Corporation.

Parties

(4) The Corporation, the person or owner who has required the hearing and such other persons as the Tribunal may specify are parties to proceedings before the Tribunal under this section.

Conciliation of disputes

17.—(1) The Corporation may, upon the request of an owner, conciliate any dispute between the owner and a vendor.

(2) Where there is a dispute between a vendor and an owner arising out of the contract, neither party shall commence any proceeding in respect thereof until after fifteen days after the party notifies the Corporation of the dispute for the purpose of giving the Corporation an opportunity to effect conciliation. Idem

(3) Each party to a dispute shall supply the Corporation with such particulars thereof as the Corporation requires. Information to Corporation

(4) Every agreement between a vendor and prospective owner shall be deemed to contain a written agreement to submit present or future differences to arbitration, subject to appeal to the Supreme Court, and *The Arbitrations Act* applies. Arbitration R.S.O. 1970, c. 25

18.—(1) The Corporation shall appoint inspectors for the purposes of this Act. Inspectors

(2) An inspector may, for the purpose of inspecting a home during its construction, enter in or upon and inspect the premises constituting the site of the construction at any time without a warrant. Power of entry

(3) For the purposes of an inspection, the inspector may, Powers of inspector

(*a*) require the production of the drawings and specifications of a home or any part thereof, including any drawings prescribed by the regulations, for his inspection and may require information from any person concerning any matter related to a home or part thereof;

(*b*) be accompanied by any person who has special or expert knowledge of any matter in relation to a home or part thereof; and

(*c*) alone or in conjunction with such other person or persons possessing special or expert knowledge, make such examinations, tests, or inquiries as are necessary for the purposes of the inspection.

(4) No person shall hinder, obstruct, molest or interfere with or attempt to hinder, obstruct, molest or interfere with an inspector in the exercise of a power or performance of a duty under this Act. Obstruction of inspectors

Restraining order

19.—(1) Where it appears to the Corporation that any vendor or builder does not comply with any provision of this Act or the regulations, notwithstanding the imposition of any penalty in respect of such non-compliance and in addition to any other rights it may have, the Corporation may apply to a judge of the High Court for an order directing such person to comply with such provision, and, upon the application, the judge may make the order or such other order as the judge thinks fit.

Appeal

(2) An appeal lies to the Supreme Court from an order made under subsection 1.

Service of notice

20. Any notice or document required by this Act to be served or given may be served or given personally or by registered mail addressed to the person to whom notice is to be given at his last known address and, where notice is served or given by mail, the service shall be deemed to have been made on the fifth day after the day of mailing unless the person to whom notice is given establishes that he, acting in good faith, through absence, accident, illness or other cause beyond his control, did not receive the notice, or did not receive the notice until a later date.

Certificate of evidence

21. A statement as to,

(*a*) the registration or non-registration of any person;

(*b*) the filing or non-filing of any document or material required or permitted to be filed with the Corporation; or

(*c*) any other matter pertaining to such registration, non-registration, filing or non-filing,

purporting to be certified by the chairman of the board of directors of the Corporation is, without proof of the office or signature of the chairman, receivable in evidence as *prima facie* proof of the facts stated therein for all purposes in any action, proceeding or prosecution.

Offences

22.—(1) Every person who,

(*a*) knowingly furnishes false information in any application under this Act or in any statement or return required to be furnished under this Act or the regulations; or

(*b*) contravenes section 6 or 12 or subsection 4 of section 18,

and every director or officer of a corporation who knowingly concurs in such furnishing or contravention is guilty of an offence and on summary conviction is liable to a fine of not more than $2,000 or to imprisonment for a term of not more than one year, or to both.

(2) Where a corporation is convicted of an offence under subsection 1, the maximum penalty that may be imposed upon the corporation is $25,000 and not as provided therein. Corporation

23.—(1) The Corporation may make by-laws, By-laws

(*a*) governing applications for registration of vendors and builders and the expiration and renewal of registration;

(*b*) subject to the approval of the Lieutenant Governor in Council, prescribing terms and conditions of registration;

(*c*) requiring the payment of fees on applications for registration or renewal of registration and prescribing the amounts thereof;

(*d*) prescribing the fees payable by builders to the Corporation in respect of the construction of a home or any class of home;

(*e*) governing applications for and the issuance of certificates under section 11;

(*f*) governing agreements entered into between the Corporation and vendors;

(*g*) providing for the establishment and maintenance of the guarantee fund and governing procedures for claiming and determining claims for compensation from the guarantee fund;

(*h*) governing the procedures for conciliation of disputes and providing for the payment and refunding of fees respecting requests for conciliation;

(*i*) prescribing classes of dwellings for the purposes of subclause iv of clause *d* of section 1;

(*j*) specifying warranties in addition to those provided for in clause *a* or *b* of subsection 1 of section 13 and the time of expiration thereof;

(*k*) defining major structural defects for the purpose of clause *b* of subsection 1 of section 13;

(*l*) requiring vendors and builders to be bonded in such form and terms and with such collateral security as are prescribed, and providing for the forfeiture of bonds and the disposition of the proceeds;

(*m*) subrogating the Corporation or a named insurer to any right of recovery of a person in respect of a claim paid out of the insurance under the Plan and costs and providing the terms and conditions under which an action to enforce such rights may be begun, conducted and settled;

(*n*) prescribing any matter required or authorized by this Act to be, or referred to in this Act as, prescribed by the regulations;

(*o*) prescribing forms for the purposes of the Corporation.

Application of R.S.O. 1970, c. 410

(2) A by-law passed under subsection 1 shall be deemed to be a regulation to which *The Regulations Act* applies.

Act binds Crown

(3) This Act, except sections 6 to 10, binds the Crown.

Commencement

24. This Act comes into force on a day to be named by proclamation of the Lieutenant Governor.

Short title

25. This Act may be cited as *The Ontario New Home Warranties Plan Act, 1976*.



An Act to provide
certain Protections for
Purchasers of New Homes

1st Reading

May 31st, 1976

2nd Reading

June 14th, 1976

3rd Reading

June 22nd, 1976

THE HON. S. B. HANDLEMAN
Minister of Consumer and
Commercial Relations

1976

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Regional Municipality of Durham Act, 1973

MR. GODFREY

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Notes

Sections 1, 2 and 16. As of the 1st day of January, 1977 the townships of Scugog, Brock and Uxbridge are excluded from the Regional Municipality and are annexed to such county as may be determined by referendum of the electors in those townships.

Sections 3, 4, 5 and 6. The Regional Council is to be made up of the total of all councillors elected from the five area municipalities. The chairman of the council is to be elected at large from the Region.

BILL 95 **1976**

An Act to amend The Regional Municipality of Durham Act, 1973

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Clause *a* of section 1 of *The Regional Municipality of Durham Act, 1973*, being chapter 78, is repealed and the following substituted therefor: s. 1 (*a*), re-enacted

(*a*) "area municipality" means the municipality or corporation of the City of Oshawa, the Town of Ajax, the Town of Newcastle, the Town of Pickering and the Town of Whitby, all as constituted by section 2.

2. Clauses *f*, *g* and *h* of subsection 1 of section 2 of the said Act are repealed. s. 2 (1) (*f*-*h*), repealed

3. Subsection 1 of section 3 of the said Act is repealed and the following substituted therefor: s. 3 (1), re-enacted

(1) The council of each area municipality shall be composed of a mayor, who shall be elected by a general vote of the electors of the area municipality and shall be the head of the council, and the following number of other members of council: Composition of council

1. The City of Oshawa—Except as may be provided under subsection 3, fourteen members who shall be elected by a general vote of the electors of the area municipality as members of the council of the area municipality and of the Regional Council.

2. The Town of Ajax—Except as may be provided under subsection 3, six members who shall be elected by a general vote of the electors of the area municipality as members of the council of the area municipality and of the Regional Council.

3. The Town of Newcastle—Except as may be provided under subsection 3, six members who shall be elected by a general vote of the electors of the area municipality as members of the council of the area municipality and of the Regional Council.

4. The Town of Pickering—Except as may be provided under subsection 3, six members who shall be elected by a general vote of the electors of the area municipality as members of the council of the area municipality and of the Regional Council.

5. The Town of Whitby—Except as may be provided under subsection 3, six members who shall be elected by a general vote of the electors of the area municipality as members of the council of the area municipality and of the Regional Council.

s. 8 (1), re-enacted

4. Subsection 1 of section 8 of the said Act is repealed and the following substituted therefor:

Composition of Regional Council

(1) The Regional Council shall consist of thirty-nine members composed of a chairman and the total of all councillors elected from the five area municipalities.

s. 9 (1), re-enacted; s. 9 (2), repealed

5. Subsections 1 and 2 of section 9 of the said Act are repealed and the following substituted therefor:

Election of chairman

(1) The chairman of the Regional Council shall be elected at large from the region.

s. 13 (1), repealed

6. Subsection 1 of section 13 of the said Act is repealed.

ss. 31, 32, 34, re-enacted

7. Sections 31, 32 and 34 of the said Act are repealed and the following substituted therefor:

Plan of construction

31. The Regional Council shall adopt a plan of road construction and from time to time thereafter shall adopt such other plans as may be necessary.

Furnishing of information to Minister

32. Where the Regional Corporation proposes the construction or alteration of a regional road, it shall furnish the Minister with such detailed information as he may require.

. . . . .

Maintenance and repair

34. The roads included in the regional road system shall be maintained and kept in repair by the area municipalities.

SECTIONS 7, 8, 9, 10 AND 17. The maintenance of roads, sidewalks, sewers and waterworks is returned to the direction and control of each area municipality. The area municipalities are to be responsible for waste disposal.

8.—(1) Subsection 2 of section 36 of the said Act is repealed and the following substituted therefor: s. 36 (2), re-enacted

(2) An area municipality may construct a sidewalk, or other improvement or service on a regional road, and the Regional Corporation may contribute to the cost of such sidewalk, improvement or service. Area municipalities may construct sidewalks, etc.

(2) Subsection 4 of the said section 36 is repealed and the following substituted therefor: s. 36 (4), re-enacted

(4) An area municipality when constructing such a sidewalk, improvement or service on a regional road is responsible for any injury or damage arising from the construction or presence of the sidewalk, improvement or service on the road. Area municipality to be responsible for damages

9. Subsection 1 of section 37 of the said Act is repealed and the following substituted therefor: s. 37 (1), re-enacted

(1) The Regional Corporation may construct, install or remove any works on a highway, other than a road under the jurisdiction and control of the Ministry, including traffic control devices, for the purpose of altering or regulating the flow of traffic upon entering or leaving a road in the regional road system and the maintenance of the works and devices shall be under the direction of each area municipality. Installation of traffic control devices

10. Sections 55 and 56 of the said Act, as re-enacted by the Statutes of Ontario, 1974, chapter 117, section 51, are repealed and the following substituted therefor: ss. 55, 56, re-enacted

55. Each area municipality shall have the sole responsibility for the supply and distribution of water in its area municipality, including the establishment, construction, maintenance, operation, improvement and the extension of waterworks systems and the financing thereof. Supply and distribution of water by area municipality

56.—(1) Each area municipality shall have the sole responsibility for the collection and disposal of all sewage in its area municipality, including the establishment, construction, maintenance, operation and financing thereof. Area municipality responsibility for collection and disposal of sewage

(2) Each area municipality is responsible for land drainage, including storm, surface overflow, subsurface, or seepage waters or other drainage from land, within the municipality and including the drainage of any road in the municipality that does not form part of the regional road system. Area municipality responsibility for storm drainage

s. 59 (3, 4), re-enacted

11. Subsections 3 and 4 of section 59 of the said Act are repealed and the following substituted therefor:

Official plans preserved

(3) All official plans in effect in any part of the Regional Area, on and after the first day of January, 1974, remain in effect as official plans of the Durham Planning Area and when an official plan is adopted by the Regional Council all other official plans shall be amended forthwith to conform therewith.

Effect of official plan R.S.O. 1970, c. 349

(4) When an official plan is adopted by the Regional Council, every by-law passed under section 35 of *The Planning Act* or a predecessor thereof then in effect in the planning area affected thereby shall be amended forthwith to conform therewith.

ss. 60, 61, repealed

12. Sections 60 and 61 of the said Act are repealed.

s. 62 (1) (*c*), repealed

13.—(1) Clause *c* of subsection 1 of section 62 of the said Act is repealed.

s. 62 (3), re-enacted

(2) Subsection 3 of the said section 62 is repealed and the following substituted therefor:

Appointment of planning staff

(3) The Regional Council may appoint such planning committees and staff as it considers necessary.

s. 74, amended

14. Section 74 of the said Act is amended by adding thereto the following subsection:

Health council established

(1*a*) The Durham Regional Board of Health shall establish a regional health council composed of twelve members appointed by the Board for such term of office as the Board may determine for the purpose of planning health care in the Regional Area.

s. 100 (1) (*b*), repealed

15.—(1) Clause *b* of subsection 1 of section 100 of the said Act is repealed.

s. 100 (3, 4), repealed

(2) Subsections 3 and 4 of the said section 100 are repealed.

s. 134, amended

16. Section 134 of the said Act, as amended by the Statutes of Ontario, 1973, chapter 147, section 12, is further amended by adding thereto the following subsection:

Referendum to determine annexation of townships

(3*a*) The Minister shall by order direct that a vote of the electors in the townships of Brock, Scugog and Uxbridge as they were constituted on the 1st day of January, 1974, pursuant to section 2, be taken to determine from among the counties designated by the Minister which county the

SECTIONS 11, 12 AND 13. All planning for the Durham Planning Area is to be carried out solely by the Regional Council. It will no longer be necessary to get ministerial approval of official plans adopted by the Regional Council.

SECTION 14. A regional health council is to be established for the purposes of planning health care for the Region.

SECTION 15. Area municipalities will now be able to carry out their own financing under *The Municipal Act*. The Regional Council will only be responsible for financing its own projects and joint projects involving the Region and an area municipality.

townships of Brock, Scugog and Uxbridge shall be annexed to and, following the vote, the Minister shall by order, declare the county to which the townships of Brock, Scugog and Uxbridge shall be annexed.

17. Subsection 2, subsection 3 as amended by the Statutes of Ontario, 1974, chapter 117, section 54, and subsections 4, 5, 6 and 7 of section 139 of the said Act are repealed and the following substituted therefor: s. 139 (2, 3), re-enacted; (4-7), repealed

(2) Each area municipality shall provide facilities for the purpose of receiving, dumping and disposing of waste. Receiving and disposing of waste by area municipalities

(3) For the purposes of subsection 2, an area municipality may acquire and use land within its area municipality and may erect, maintain and operate all facilities including buildings, structures, machinery or equipment for the purposes of receiving, dumping and disposing of waste, and may contract with any person, including Her Majesty in right of Ontario, for such purposes and may prohibit or regulate the dumping and disposing of waste or any class or classes thereof upon such land. Idem

18.—(1) This Act, except sections 1, 2, 3, 4, 5 and 6, comes into force on the day it receives Royal Assent. Commencement

(2) Sections 1, 2, 3, 4, 5 and 6 come into force on the 1st day of January, 1977. Idem

19. This Act may be cited as *The Regional Municipality of Durham Amendment Act, 1976*. Short title

An Act to amend
The Regional Municipality of
Durham Act, 1973

1st Reading

June 1st, 1976

2nd Reading

3rd Reading

MR. GODFREY

(*Private Member's Bill*)

1976

BILL 96 **Government Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act respecting Farm Income Stabilization

THE HON. W. NEWMAN
Minister of Agriculture and Food

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

The Bill provides for the establishment of the Farm Income Stabilization Commission of Ontario and the Ontario Farm Income Stabilization Fund and empowers the Commission, subject to the approval of the Lieutenant Governor in Council, to make regulations establishing, amending and revoking programs for farm income stabilization respecting farm products and governing the terms and conditions of stabilization under any program.

The Commission, in exercising its powers, may ascertain farm product receipts applicable to any farm product under a program, may establish a stabilization price or prices respecting any such farm product and may pay to producers under a program the amount, if any, by which the appropriate stabilization price exceeds the appropriate farm product receipts.

BILL 96 **1976**

An Act respecting Farm Income Stabilization

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. In this Act, Interpretation

(*a*) "Commission" means the Farm Income Stabilization Commission of Ontario;

(*b*) "farm product" means animals, meats, eggs, poultry, wool, milk, cream, grains, seeds, fruit, vegetables, maple products, honey and tobacco, or any class or part thereof, produced in Ontario;

(*c*) "farm product receipts" means the amount ascertained and prescribed by the Commission for the purposes of a program as representing, for each unit of farm product, the market price plus any other moneys received or receivable by producers respecting the farm product to which the program applies;

(*d*) "Fund" means the Ontario Farm Income Stabilization Fund;

(*e*) "Minister" means the Minister of Agriculture and Food;

(*f*) "program" means a program for farm income stabilization established under subsection 1 of section 5;

(*g*) "regulations" means the regulations made under this Act.

2.—(1) There is hereby established a commission to be known as the "Farm Income Stabilization Commission of Farm Income Stabilization Commission of Ontario established

Ontario", which shall be a corporation without share capital responsible to the Minister.

Composition

(2) The Commission shall be composed of not fewer than five members who shall be appointed by the Lieutenant Governor in Council.

Chairman and vice-chairman

(3) The Lieutenant Governor in Council may designate one of the members of the Commission as chairman and one as vice-chairman.

Quorum

(4) Three members of the Commission, of whom one shall be the chairman or vice-chairman, constitute a quorum.

Remuneration

(5) Members of the Commission who are not officers in the public service of Ontario shall receive such remuneration and expenses as the Lieutenant Governor in Council from time to time determines.

R.S.O. 1970, c. 89 does not apply

(6) *The Corporations Act* does not apply to the Commission.

Commission a Crown agency

R.S.O. 1970, c. 100

(7) The Commission is a Crown agency within the meaning of *The Crown Agency Act*.

General manager and staff

R.S.O. 1970, c. 386

3.—(1) A general manager of the Commission and such other officers, clerks and servants as are considered necessary from time to time for the proper conduct of the business of the Commission may be appointed under *The Public Service Act*.

R.S.O. 1970, c. 387 to apply

(2) *The Public Service Superannuation Act* applies to the permanent staff of the Commission as if it had been designated by the Lieutenant Governor in Council under section 27 of that Act.

General manager to be chief administrative officer

(3) The general manager of the Commission shall be the chief administrative officer of the Commission.

Professional and technical assistance

(4) The Commission may, subject to the approval of the Minister, engage persons other than those appointed under subsection 1 to provide professional, technical or other assistance to or on behalf of the Commission.

Function and power of Commission

4. It is the function of the Commission and it has power,

(*a*) to administer programs for farm income stabilization established by the regulations;

(*b*) to provide for surveys and research relating to farm income stabilization and to obtain statistics for its purposes;

(*c*) to administer this Act and the regulations; and

(*d*) to exercise such powers and perform such duties as are conferred or imposed on it by or under this or any other Act.

Regulations by Commission

5.—(1) Subject to the approval of the Lieutenant Governor in Council, the Commission may make regulations establishing, amending and revoking programs for farm income stabilization respecting farm products and governing the terms and conditions of stabilization under any program and, without restricting the generality of the foregoing, may make regulations,

(*a*) designating a farm product to which a program applies and the year in which the program applies;

(*b*) ascertaining and prescribing, from time to time, for the purposes of a program, the farm product receipts effective for the farm product to which the program applies;

(*c*) ascertaining and prescribing, from time to time, for the purposes of a program, a cost of production figure for the farm product to which the program applies;

(*d*) ascertaining and prescribing, from time to time, for the purposes of a program, a base price respecting the farm product to which the program applies representing the average price thereof at representative markets as determined by the Commission for the five years immediately preceding the year in which the program applies;

(*e*) establishing, from time to time, a stabilization price or prices respecting a farm product to which a program applies obtained by adjusting 90 per cent, or such higher percentage as the Commission may prescribe in the regulations, of the base price thereof for the year in which the program applies by an index calculated in such manner as the Commission may prescribe in the regulations to reflect the estimated cost of production of the farm product in that year as compared with the average cost of production for the five years immediately preceding that year;

(*f*) prescribing, in respect of a program, the maximum level of production or marketing for which a person is eligible to receive payments under the program;

(*g*) prescribing, in respect of a program, the minimum level of production or marketing for which a person is eligible to receive payments under the program;

(*h*) prescribing, in respect of a farm product to which a program applies, the proportion of gross income derived from farming that a person is required to have to be eligible to receive payments under the program;

(*i*) prescribing terms and conditions to be complied with by applicants for payment under a program;

(*j*) requiring applicants for payment under a program to furnish such information, statements or reports as the Commission requires;

(*k*) prescribing the time or times at which applications for payment under a program may be made;

(*l*) prescribing the time or times at which payments shall be made under subsection 5;

(*m*) prescribing forms and providing for their use and requiring any information given in a form to be verified by statutory declaration.

Eligibility for payment

(2) No person who is not ordinarily a resident of Ontario is eligible to receive payment under a program.

Limitation on establishment of program R.S.O. 1970, cc. 162, 273

(3) Notwithstanding subsection 1, no program shall be established respecting a farm product in respect of which a local board under *The Farm Products Marketing Act* or a marketing board under *The Milk Act* has been established and such local board or marketing board both fixes and determines the price that shall be paid to persons producing the farm product and fixes and allots quotas for the production or marketing of the farm product.

Idem

(4) Notwithstanding subsection 1, no program shall be established respecting barley, cattle, corn, hogs, industrial cream, industrial milk, oats, sheep or soybeans or any farm product that, for the year in which the program would apply, is designated as an agricultural commodity under the *Agricultural Stabilization Act* (Canada).

R.S.C. 1970, c. A-9

(5) Subject to subsection 6, where, under a program, the stabilization price exceeds the farm product receipts, the Commission, subject to subsection 1 of section 6 and to the regulations, shall, at the time or times prescribed in the regulations, pay to those persons under the program who apply for payment the difference between the stabilization price and the farm product receipts respecting any farm product under the program marketed by such persons. Payments to persons under program

(6) Where, under a program, in any year, the stabilization price exceeds the cost of production figure ascertained and prescribed for the farm product under clause *c* of subsection 1, the stabilization price, for the purposes of subsection 5, shall be deemed to be equal to the cost of production figure. Stabilization price deemed to be equal to cost of production figure

(7) The Commission may at any time consult with or conduct such discussions with any local board under *The Farm Products Marketing Act*, any marketing board under *The Milk Act* or any other organization or group of producers as the Commission considers proper respecting the terms of any program or proposed program. Power of Commission R.S.O. 1970, cc. 162, 273

6.—(1) The Commission may, after a hearing, refuse to make a payment to a person otherwise entitled thereto where the Commission finds that he or any other person under his control, in his employ or associated with him in producing the farm product for which he has applied for payment, has knowingly supplied the Commission with information respecting such farm product that is false or calculated to mislead and that may affect payments to him under the program. Refusal of payment after hearing

(2) *The Statutory Powers Procedure Act, 1971* applies to a hearing under subsection 1. 1971, c. 47 applies

7. The Lieutenant Governor in Council may authorize the Treasurer of Ontario to pay to the Commission such amounts out of the moneys appropriated therefor by the Legislature as the Lieutenant Governor in Council may determine. Payment to Commission

8.—(1) The Commission shall establish and maintain in a chartered bank or the Province of Ontario Savings Office a fund to be known as the "Ontario Farm Income Stabilization Fund", to which shall be credited the moneys received by the Commission under sections 7 and 9. Ontario Farm Income Stabilization Fund

(2) The Commission shall pay out of the Fund all moneys required for, Payments out of Fund

(*a*) the payment of moneys under any program; and

(*b*) the repayment of loans made under section 9.

Loans to Commission

9. The Treasurer of Ontario, with the approval of the Lieutenant Governor in Council and upon such terms and conditions as the Lieutenant Governor in Council may prescribe, may make loans to the Commission and may acquire and hold as evidence thereof bonds, debentures, notes or other evidences of indebtedness of the Commission.

Surplus

10. The Commission shall, at the discretion of the Treasurer of Ontario, pay into the Consolidated Revenue Fund any surplus moneys in the Fund that are not necessary for the current requirements of the Commission and section 16 of *The Financial Administration Act* applies thereto.

R.S.O. 1970, c. 166

Moneys

11.—(1) The moneys required for the purpose of defraying the operating expenses of the Commission shall be paid out of moneys appropriated therefor by the Legislature for that purpose.

Idem

(2) Notwithstanding subsection 1, the moneys required for the purposes of this Act shall, from the date of coming into force of this Act until the 31st day of March, 1977, be paid out of the Consolidated Revenue Fund and thereafter shall be paid out of the moneys appropriated therefor by the Legislature.

Audit

12. The accounts and financial transactions of the Commission shall be audited annually by the Provincial Auditor and a report of the audit shall be made to the Commission and to the Minister.

Annual report

13.—(1) The Commission shall make an annual report of the affairs of the Commission to the Minister.

Tabling

(2) The Minister shall submit the annual report to the Lieutenant Governor in Council and shall then lay the report before the Legislative Assembly if it is in session or, if not, at the next ensuing session.

Agreements with Government of Canada

14. The Minister may, with the approval of the Lieutenant Governor in Council, enter into agreements with the Government of Canada to further the carrying out of the purpose and intent of this Act.

15. This Act comes into force on a day to be named by proclamation of the Lieutenant Governor. Commencement

16. This Act may be cited as *The Farm Income Stabilization Act, 1976*. Short title



An Act respecting
Farm Income Stabilization

1st Reading

June 3rd, 1976

2nd Reading

3rd Reading

THE HON. W. NEWMAN
Minister of Agriculture and Food

(*Government Bill*)

1976

BILL 97 **Government Bill**

3rd Session, 30th Legislature, Ontario
25 Elizabeth II, 1976

The Credit Unions Act, 1976

The Hon. S. B. Handleman
Minister of Consumer and Commercial Relations

TORONTO
Printed by J. C. Thatcher, Queen's Printer for Ontario

TABLE OF CONTENTS

	PAGE
Interpretation	1
Incorporation	3
Leagues	9
Contracts	11
By-laws	12
Capital	13
Borrowing	14
Registers	16
Members	16
Directors	23
Credit Committee	24
Supervisory Committee	27
Officers	30
Auditors and Financial Statements	30
Officers—General	34
Meetings	36
Dividends	42
Investments	42
Ontario Share and Deposit Insurance Corporation	53
Winding Up	64
Amalgamations	75
Reorganization	77
Returns and Inspections	79
Extra-Provincial Credit Unions	81
Offences	81
Regulations	82
Miscellaneous	83

Explanatory Note

The Bill re-enacts *The Credit Unions Act* for the purpose of making the law governing the incorporation and regulation of credit unions and credit union leagues complete and self-contained, as recommended by the Select Committee on Company Law.

Principal changes include the following:

1. The provisions of *The Business Corporations Act* are in most respects adopted for application to credit unions and leagues.

2. All by-laws of credit unions require approval.

3. Provision is made for branches and branch meetings.

4. Corporate members are recognized and capacity for members who are minors to deal directly.

5. Second mortgage loans and term deposits are authorized.

6. Investment provisions are fully set out.

7. The Ontario Share and Deposit Insurance Corporation is established, financed by assessments from credit unions, to provide deposit insurance with incidental powers for annual examinations.

BILL 97 **1976**

The Credit Unions Act, 1976

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

INTERPRETATION

1.—(1) In this Act, Interpretation

(*a*) "articles of incorporation" or "articles" means the original or restated articles of incorporation, articles of amalgamation, articles of amendment, memorandum of association, a special Act or other instrument by which a credit union is incorporated and includes any amendment thereto;

(*b*) "auditor" means a person who is a public accountant licensed under *The Public Accountancy Act*; R.S.O. 1970, c. 373

(*c*) "by-law" means a by-law approved under this Act, and includes any amendment or revocation of a by-law approved under this Act;

(*d*) "certificate of incorporation" includes the memorandum of association, a special Act or any other instrument by which a credit union is incorporated;

(*e*) "court" means the Supreme Court of Ontario;

(*f*) "credit union" means a corporation incorporated as a credit union or caisse populaire under this Act or a predecessor of this Act;

(*g*) "debt obligation" means a bond, debenture, note or other similar obligation of a corporation, whether secured or unsecured;

(*h*) "deposit" includes all sums placed on deposit with a credit union and includes "term deposits"

in respect of which a specified rate of interest is payable only if the deposit is not withdrawn for a fixed term;

(*i*) "Director" means the Director of Credit Unions of the Ministry of Consumer and Commercial Relations;

(*j*) "financial statement" means a financial statement referred to in section 71;

(*k*) "league" means a corporation incorporated as a credit union league under this Act or a predecessor of this Act;

(*l*) "member" means a person who is a member or enrolled as a member of a credit union under this Act, the articles and the by-laws of the credit union governing membership;

(*m*) "Minister" means the Minister of Consumer and Commercial Relations;

(*n*) "officer" means the president, any vice-president, treasurer, secretary, manager, assistant treasurer, assistant secretary, assistant manager and any employee who has authority to approve loans and any employee of a credit union who reports directly to the board of directors;

(*o*) "personal representative" where used with reference to holding shares or having deposits in that capacity means an executor, administrator, guardian, tutor, trustee, receiver or liquidator, or the committee of or curator to a mentally incompetent person;

(*p*) "regulations" means the regulations made under this Act;

(*q*) "related person", where used to indicate a relationship with any person, means any spouse, son or daughter of that person, or any relative of that person or of his spouse, son or daughter who has the same home as that person;

(*r*) "special resolution" means a resolution that is not effective until it is passed by the board of directors of the credit union and confirmed, with or without variations, by at least two-thirds of the votes cast at a general meeting of the members of the credit union duly called for that purpose;

(*s*) "Superintendent" means the Superintendent of Insurance.

Joint shares

(2) In determining the number of members of a credit union for the purposes of this Act, two or more persons holding the same share or shares jointly shall be considered as one member.

Director of Credit Unions

2.—(1) There shall be a Director of Credit Unions appointed by the Lieutenant Governor in Council, who shall exercise the powers and shall perform the duties conferred or imposed on him by this Act or the regulations under the supervision of the Superintendent.

Application of R.S.O. 1970, c. 89

(2) *The Corporations Act* does not apply to credit unions or credit union leagues.

INCORPORATION

Incorporation

3.—(1) A credit union may be incorporated under this Act by articles of incorporation for the objects stated in section 11 and the incorporation is subject to the approval of the Minister.

Application

(2) Any number of natural persons, not fewer than twenty, who are of the age of eighteen years or more, may apply to be incorporated as a credit union by signing and delivering to the Minister, in duplicate, articles of incorporation in the form prescribed by the regulations together with two copies of the proposed by-laws of the credit union.

Articles of incorporation

(3) The articles of incorporation shall set out:

1. The name of the credit union to be incorporated.

2. The place in Ontario where the head office of the credit union is to be located giving the municipality and the county or district or where the head office is to be located in a territory without municipal organization, the geographic township and district, if any.

3. The name of each of the incorporators and residence address of each.

4. The number of directors of the credit union, which shall be not fewer than five, and the name and residence address, giving the street and number, if any, of each person who is a first director of the credit union.

5. Any other matter required by this Act or the regulations to be set out in the articles.

Idem

(4) The articles may set out any provision that is authorized by this Act to be set out in the articles or that could be the subject of a by-law of the credit union.

Affidavits

(5) The signature of each incorporator and each first director and the fact that each incorporator who is a natural person and each first director is of the age of eighteen years or more shall be verified by affidavit.

Director may direct amendment of by-laws

(6) The proposed by-laws shall be in accordance with section 16 and if the Director finds the proposed by-laws repugnant to this Act he may direct an amendment before the application is proceeded with.

Report to Minister

(7) The Director shall inquire into the circumstances, sufficiency and regularity of the articles of incorporation and accompanying proposed by-laws delivered to the Minister and may require any matter to be verified under oath and shall report thereon to the Minister.

Reasons

(8) Where the Director reports to the Minister that the articles of incorporation should not be filed, his report shall include the reasons therefor and a copy of his report shall be delivered to the incorporators.

Submissions to Minister

(9) The incorporators may, within fifteen days after receiving the report and reasons of the Director under subsection 8, make written submissions to the Minister in respect thereof.

Issuance of certificate of incorporation

(10) After considering the report of the Director and the submissions, if any, of the incorporators, the Minister may, in his discretion and after all prescribed fees have been paid,

(*a*) endorse on the duplicate of the articles the words "Filed" and the day, month and year of the filing thereof;

(*b*) file one of the duplicates in his office; and

(*c*) issue to the incorporators or their agent a certificate of incorporation to which he shall affix the other duplicate.

Effect of incorporation

(11) A credit union comes into existence upon the date set forth in its certificate of incorporation and the certificate of incorporation, the articles of incorporation, and the by-laws

of the credit union, together with this Act, constitute the charter of the credit union.

(12) A certificate of incorporation is conclusive proof that all conditions precedent required to be performed by the incorporators have been complied with and that the credit union has been incorporated under this Act, except in a proceeding under section 122. Notice

4.—(1) No credit union shall be incorporated under a name identical with that of any other credit union or of any corporation or organization or under a name so nearly resembling that of any other credit union, corporation or organization as, in the opinion of the Minister, to be likely to deceive or under a name that may otherwise, in the opinion of the Minister, be objectionable on public grounds. Name

(2) If a credit union, through inadvertence or otherwise, has acquired a name contrary to subsection 1, the Minister may, after he has given the credit union an opportunity to be heard, issue a certificate of amendment to the articles changing the name of the credit union to the name specified in the certificate, and upon issuance of the certificate of amendment, the articles are amended accordingly. Change if objectionable

5.—(1) The name of a credit union shall include the words "credit union" or "caisse populaire" as part thereof. Use of "credit union"

(2) The name of the credit union shall have the words "Limited" or "Limitee", or "incorporated" or "incorporée", or its corresponding abbreviation "Ltd", "Ltee", or "Inc" as the last word thereof. Use of "Limited"

6. Notwithstanding section 5, a credit union may use its name in such form and in such language as the articles provide and as the Minister approves. Use of name

7. A change of name of a credit union does not affect its rights and obligations. Effect of change of name

8. Any person, not being a credit union to which this Act applies, who carries on business under a name or title in which the words "credit union" or "caisse populaire" are used is guilty of an offence. Use of words "credit union"

9.—(1) A credit union shall have a seal, which shall be adopted and may be changed by resolution of the directors. Seal

(2) The name of the credit union shall appear in legible characters on the seal. Idem

Head office

10.—(1) A credit union shall at all times have its head office in Ontario at the place where its articles provide.

Change

(2) Subject to the approval of the Minister, a credit union may by by-law change the geographic location of its head office to another place in Ontario if such change would better serve its purpose and objects.

Objects of credit unions

11.—(1) The articles of a credit union shall state its object and purpose as being the promotion of co-operative enterprise, the facilitating of the accumulation of savings and the creation of a source of credit for its members at conscionable rates of interest and the provision of full financial services for its members and every credit union shall be deemed to have such objects in its articles.

Ancillary powers

(2) For the purpose of carrying out its objects, subject to the other provisions of this Act, the regulations, the articles and the by-laws of the credit union, every credit union has power as incidental and ancillary to its objects,

1. to receive moneys on deposit from members and as payment for shares;

2. to make loans to members, with or without security;

3. to make loans to other credit unions;

4. to deposit moneys with, invest in shares of, or make loans to, any league;

5. where authorized to do so by special resolution, to make donations and gifts out of the surplus income or any undivided earnings for the purpose of advancing the interest of the credit union or of credit unions generally and for charitable purposes;

6. to purchase, lease, or take in exchange, hire or otherwise acquire any personal property and any right or privilege the credit union considers necessary or convenient for the purpose of the credit union;

7. to invest funds of the credit union;

8. where authorized to do so by a special resolution, to sell, lease, exchange or otherwise dispose of all or substantially all the property of the credit union for such consideration as the credit union considers appropriate;

9. to construct, maintain and alter any buildings or works necessary for its objects;

10. where authorized by a by-law to acquire by purchase, lease or otherwise and hold any real property or interest therein necessary for its actual use and occupation or for carrying on its undertaking, and, when no longer necessary therefor, to sell, alienate or convey it;

11. to take, hold, alienate, realize on, or otherwise dispose of any real or personal property that has been mortgaged or pledged to the credit union by way of security for, or conveyed to it in satisfaction of loans made in the course of business or otherwise purchased for the purpose of avoiding a loss to the credit union;

12. to draw, make, accept, endorse, execute, discount and issue promissory notes, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments;

13. subject to such conditions as are prescribed by the regulations, to establish and operate branch offices to provide credit union services;

14. to pay all costs and expenses of, or incidental to, the incorporation and organization of the credit union;

15. to establish and support or aid in the establishment and support of or the subscription to, associations, institutions, funds or trusts for the benefit of employees or former employees of the credit union or its predecessors, or the dependants or connections of such employees or former employees, and grant pensions and allowances, and make payments towards insurance or for any object similar to those set forth in this paragraph, and where authorized to do so by a special resolution, to subscribe or guarantee money for charitable, benevolent, educational or religious objects or for any exhibition or for any public, general or useful objects;

16. to adopt means of making known the services of the credit union, and in particular by advertising in the press, by circulars, or otherwise by purchase and exhibition of works of art or interest, by publication of books and periodicals or by granting prizes, rewards and making donations;

17. to deposit money in chartered banks, the Province of Ontario Savings Office, or loan companies and trust companies registered under *The Loan and Trust Corporations Act*; R.S.O. 1970, c. 254

18. to contract and sue and be sued in the corporate name;

19. to purchase group insurance for its members;

20. to perform any of the things authorized by this section as principal or agent and either alone or in conjunction with others;

21. to perform all such other things as are incidental or conducive to the attainment of the objects and the exercise of the powers of the credit union;

22. to have perpetual succession;

23. to carry on any other business capable of being conveniently carried on in connection with its business or likely to enhance the value of or make profitable any of its property or rights;

24. to acquire and hold shares in any other company having objects altogether or in part similar to those of the credit union or carrying on any business capable of being conducted so as to benefit the credit union;

25. to sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with the property of the credit union in the ordinary course of its business;

26. to provide safekeeping facilities and services for personal property;

27. to provide services for the collection and payment of moneys from and on behalf of its members;

28. to provide such programs and services for its members as in the opinion of the board of directors may assist the members to meet their financial or social needs;

29. subject to the approval of the Director, to accept custody of assets for specific purposes or under specific terms and conditions and to act as an agent

to carry out such purposes, such purposes to include, but not be restricted to, the custody of funds deposited under registered retirement savings plans and registered home ownership savings plans.

(3) Any of the powers set out in subsection 2 may be withheld or limited by the articles. Limitation of powers

(4) Every credit union may exercise its powers beyond the boundaries of Ontario to the extent to which the laws in force where the powers are sought to be exercised permit, and may accept extra-provincial powers and rights. Power to act outside Ontario

LEAGUES

12.—(1) Ten or more credit unions may be incorporated as a league for the object and purpose of, Leagues

(*a*) protecting and advancing the credit unions that are members of the league;

(*b*) providing encouragement and assisting in programs and activities contributing to the growth and development of member credit unions;

(*c*) conducting training programs for the general improvement of managers, employees and members of the board of directors and committees of member credit unions;

(*d*) arranging for pension plans, group bonding and group insurance of all kinds for the officers, employees and members of credit unions and assisting in repayment of loans made by credit unions to their members;

(*e*) receiving moneys from their member credit unions either as payment on shares or as deposits;

(*f*) making loans to credit unions that are members of the league;

(*g*) providing services to or for its member credit unions that, in the opinion of the directors of the league, are incidental or conducive to the sound operation or to the attaining of the purposes of its members.

(2) Any competent person authorized by a league may examine into the affairs of any credit union that is a member of the league and for such purpose he shall be given access Examination by league

to all books, records and other documents of the credit union and he may make whatever inquiries are necessary to ascertain its true condition and its ability to provide for the payment of its liabilities as they become due, and the officers and employees of the credit union shall facilitate him in his examination and inquiry.

Act to apply to leagues

(3) The provisions of this Act applicable to credit unions apply *mutatis mutandis* to leagues and their incorporation except where inconsistent with this section, but the Lieutenant Governor in Council may by regulation declare that any provision of this Act does not apply to leagues.

Ancillary powers

(4) Every league has power as incidental and ancillary to its objects,

(*a*) to apply to and enter into any agreement with the Canada Deposit Insurance Corporation, the Ontario Share and Deposit Insurance Corporation, the Government of Canada, the Government of Ontario, a chartered bank or other corporation or person, to obtain loans or other financial assistance;

(*b*) to act as agent or subagent for primary or secondary distribution of bonds, debentures or other evidences of indebtedness of or guaranteed by the Government of Canada or any province and for that purpose trade in such bonds, debentures or other evidences of indebtedness to the extent necessary;

(*c*) to become a member of, buy shares in, deposit money with or borrow money from any other league or any co-operative credit society or association as defined in the *Co-operative Credit Associations Act* (Canada) or any other like institution incorporated under the laws of Canada or any province;

R.S.C. 1970, c. C-29

(*d*) when authorized by the Director, to establish and maintain trust funds for the benefit of the member credit unions;

(*e*) to provide such other services as may be authorized by the regulations.

Application of R.S.C. 1970, c. C-29

(5) A league may accept and exercise all rights, powers, privileges and immunities conferred on it by the *Co-operative Credit Associations Act* (Canada).

Acting outside powers

13.—(1) No act of a credit union and no transfer of real or personal property to or by a credit union, other-

wise lawful, that is heretofore or hereafter done or made, is invalid by reason of the fact that the credit union was without capacity or power to do such act or make or receive such transfer, but such lack of capacity or power may be asserted,

(*a*) in a proceeding against the credit union by a member under subsection 2;

(*b*) in a proceeding by the credit union, whether acting directly or through a receiver, liquidator, trustee or other legal representative or through members in a representative capacity, against a director or officer or former director or officer of the credit union; or

(*c*) as cause for the cancellation of the certificate of incorporation of the credit union.

Restraining order

(2) A member of a credit union may apply to the court for an order to restrain the credit union from doing any act or transferring or receiving the transfer of real or personal property on the ground that the credit union lacks capacity or power for the purpose, and the court may, if it considers it to be just and equitable, grant an order prohibiting the credit union from doing the act or transferring or receiving the transfer of the real or personal property, but, where the act or transfer sought to be restrained or prohibited is being or to be done or made under a contract to which the credit union is a party,

(*a*) all the parties to the contract shall be parties to the proceeding;

(*b*) the court in granting the order may set aside the contract and allow the credit union or other parties to the contract, as the case may be, such compensation as may be equitable for the loss or damage sustained by any of them from the granting of the order and setting aside of the contract, other than anticipated profits from the contract.

CONTRACTS

Contracts in writing under seal

14.—(1) A contract that if entered into by an individual person would by law be required to be in writing and under seal may be entered into on behalf of a credit union in writing under the seal of the credit union.

Contracts in writing under seal

(2) A contract that if entered into by an individual person would by law be required to be in writing signed

by the parties to be charged therewith may be entered into on behalf of a credit union in writing signed by any person acting under its express authority.

Parol contracts

(3) A contract that if entered into by an individual person would by law be valid although made by parol only and not reduced into writing may be entered into by parol on behalf of a credit union by any person acting under its express authority.

Prior consent of Director

15. A credit union shall not acquire, purchase or lease real estate for its own use where the cost of such real estate or building or of the lease over its duration is in an amount equal to more than 8 per cent of the total share capital and deposits of a credit union without the prior written consent of the Director.

BY-LAWS

Extent of by-laws

16. The directors may pass by-laws not contrary to this Act or to the articles to regulate,

(*a*) the fees, terms and conditions of admission to, and withdrawal and expulsion from, membership in the credit union;

(*b*) the allotment and recording of shares, the maximum number that may be alloted to any member, the payment for shares and the transfer of shares;

(*c*) the terms, conditions and limitations under which deposits may be made with the credit union;

(*d*) the terms, conditions and limitations for loans made by the credit union and the interest thereon;

(*e*) the time and place of and the notice and the record date for the determination of members entitled to vote to be given for the holding of meetings of members and of the board of directors, the quorum of meetings of members and the procedure and language in all things at members' meetings and at meetings of the board of directors;

(*f*) the time for and manner of election of directors, and the qualification and remuneration of directors including conditions on eligibility of directors of the credit union;

(*g*) the appointment, remuneration, functions, duties and removal of officers and employees of the credit

union and the security, if any, to be given by them to it;

(*h*) the purposes for which the profits of the credit union may be appropriated or distributed by way of rebate of interest on loans, by dividends or otherwise;

(*i*) where the credit union is a member of a league, a yearly assessment of its members as provided in the by-laws of the league to be paid to the league to assist in its financing;

(*j*) the conduct in all other particulars of the affairs of the credit union.

Remuneration of directors

17. A by-law relating to the remuneration of directors may provide that the board of directors by resolution shall fix the remuneration and period for which it is to be paid.

Passing of by-laws

18.—(1) No by-law is effective until it is,

(*a*) passed by the board of directors of a credit union;

(*b*) confirmed, with or without variation, by at least two-thirds of the votes cast at a general meeting of the members of the credit union duly called for that purpose, or such greater proportion of the votes cast as the articles provide; and

(*c*) approved by the Director in the manner prescribed in this section.

Submission to Director

(2) Upon the confirmation of a by-law under clause *b* of subsection 1, the board of directors shall forward to the Director two copies thereof signed by two officers or one officer and one director.

Approval by Director

(3) The Director shall signify his approval by certifying the approval on one copy of the by-law with the date of the approval and returning it by prepaid mail to the credit union.

Copies of by-laws

19. A copy of the by-laws of a credit union shall be delivered by the credit union to a member on demand on payment of a fee fixed by the by-laws, which shall not exceed the amount prescribed therefor by the regulations.

CAPITAL

Capital

20.—(1) The authorized capital of a credit union shall be divided into shares with par value and the amount thereof

and the number of shares shall be determined by the by-laws of the credit union, but the par value of each share shall in no case exceed $10.

Capital, how increased and diminished

(2) The subscribed capital of a credit union may, subject to the by-laws, be increased by payment for shares by members, and may be diminished by withdrawal of such payments by members.

Fully paid shares only

(3) No share in a credit union shall be allotted until it is fully paid for and a share is not fully paid until payment in cash therefor has been received by the credit union.

No commission on shares

(4) No commission, discount, allowance, or other compensation shall be paid or allowed by a credit union in consideration of the subscription for or sale of any of its shares.

Shares are personal property

(5) The shares of a credit union are personal property.

Additional shares

(6) The payment on account of shares by a member and the receipt thereof by a credit union shall be deemed to be an allotment of such shares to the members.

Member's liability for shares

(7) A member is not liable to the credit union for shares subscribed for in excess of the amount actually paid thereon.

Where capital impaired

(8) Where the board of directors determines that the credit union has suffered an impairment of capital, the board may by resolution fix the proportion of money invested in shares that may be withdrawn, and so long as any impairment of capital exists, may from time to time change the proportion that may be withdrawn.

Idem

(9) No member of a credit union shall withdraw any portion of the money invested in shares in excess of the proportion specified in the resolution under subsection 8, or set off against any debts owing by him to the credit union a greater proportion of the money invested in shares than is specified in the resolution.

Idem

(10) No resolution passed under subsection 8 applies to money invested in shares after the date of the resolution.

BORROWING

Borrowing by-law

21.—(1) Subject to the qualifications, limitations and restrictions in this Act, the board of directors of a credit union, when authorized by by-law, may,

(*a*) borrow money by way of loan, exclusive of money received on deposit, at such rates of interest and upon such terms as the board of directors may from time to time determine in an amount, exclusive of money on deposit, not exceeding 25 per cent of the paid-in capital, deposits and surplus of the credit union, but when specifically authorized by by-law, the total amount borrowed, exclusive of money received on deposit, may be an amount not exceeding 50 per cent of the total of the paid-in capital, deposits and surplus of the credit union;

(*b*) subject to clause *a*, charge, mortgage, hypothecate or pledge all or any currently owned or subsequently acquired real or personal, movable or immovable property of the credit union, including book debts, rights, powers and franchises and undertaking, to secure any debt obligation or any money borrowed, or other debt or liability of the credit union.

Leagues excepted

(2) Clause *a* of subsection 1 does not apply to a league.

Not to issue debentures

22.—(1) A credit union shall not borrow by the issue of a debenture.

Leagues excepted

(2) Subsection 1 does not apply to a league.

Filing of mortgage of credit union

23.—(1) Where a credit union makes a charge, mortgage or other instrument of hypothecation or pledge, other than an assignment of its accounts receivable or its negotiable instruments, to secure its debt obligations, the board of directors of the credit union shall forthwith after the making thereof, file a duplicate original or certified copy of the instrument with the Director, but such filing may be made by any interested person.

Idem

(2) Where the filing is by an interested person under subsection 1, that person is entitled to recover from the credit union the amount of any prescribed fee paid by him on such filing.

Exception

(3) Subsection 1 does not apply to an instrument that is filed or registered under any other Act.

Limitation by the director

24. The Director may from time to time inquire into the borrowing of a credit union and may limit the authority of the board of directors of a credit union to further borrow by giving notice of the limitation by registered mail to the board setting forth his reasons for limiting the borrowing powers and a credit union shall not exercise its borrowing powers in excess of any limitation imposed by the Director.

REGISTERS

Register of members

25.—(1) Every credit union shall keep a register of members and shares.

Certificate as evidence

(2) A statement as to,

(*a*) the names and addresses of the members and the number of shares held by each member;

(*b*) the date on which the name of any person was entered in the register as a member; or

(*c*) the date on which any person ceased to be a member,

purporting to be certified by the secretary is, without proof of the office or signature of the secretary, receivable in evidence as *prima facie* proof of the facts stated therein for all purposes in any action, proceeding or prosecution.

Documents to be kept

(3) Every credit union shall keep or cause to be kept the following documents and registers,

(*a*) a copy of its articles;

(*b*) the by-laws and resolutions, including special resolutions, of the credit union;

(*c*) a register of the members of the board of directors, credit committee and supervisory committee, and all officers of the credit union, setting out their names, residence addresses, giving the street and number, if any, and occupations, with the several dates on which they have become or ceased to be a member of such board or committee;

(*d*) a register of all securities held by the credit union;

(*e*) books of account and accounting records with respect to all financial and other transactions of the credit union as may be required by the Director;

(*f*) the minutes of all proceedings at meetings of members, directors and any committees.

MEMBERS

Membership

26. Subject to the provisions of this Act and its articles, membership in a credit union is governed by its by-laws.

27.—(1) Each incorporator of a credit union who has subscribed for a share in the credit union becomes a member upon the effective date of incorporation and shall be entered upon the register of members. Incorporators deemed members

(2) A subscription for shares in a credit union constitutes an application for membership and the allotment of a share to the applicant constitutes admission to membership. Subscription deemed application

(3) Subject to subsection 1, no person shall become a member of a credit union until his application for membership has been approved by the board of directors and the applicant has complied fully with the by-laws governing admission of members. Applicants for membership

28.—(1) Subject to subsection 2, the by-laws of every credit union shall provide that the membership of the credit union shall be limited to persons having a common bond of occupation or association or to persons residing or working within a municipality, neighbourhood or other reasonably well-defined community. Membership limitation

(2) A credit union may apply to the Director for the repeal from its by-laws of the provisions referred to in subsection 1 and the Director, if he is satisfied that the credit union is of a sufficient membership and capital and that it is being operated in a satisfactory manner, may approve the repealing by-law and permit its filing on such terms as the Director sees fit. Removal of limitation

(3) The Director shall not approve a by-law of a credit union under subsection 2 unless the credit union proposes to have a full-time management and a self-contained place of business and would be, in his opinion, capable of providing a satisfactory service to its members. Director's approval

29. Every person whose name is registered in the register of members is entitled to, Register of members

(*a*) a passbook or other record specifying the amount paid upon shares, deposits and loans by him; and

(*b*) such other information as may be prescribed by the by-laws of the credit union,

and the passbook or other record is admissible in evidence as *prima facie* proof of membership and of the information entered therein.

Voting

30.—(1) A member of a credit union has only one vote.

Proxies permitted

(2) No member of a credit union shall vote by proxy except when such member is an unincorporated association or a municipality as defined in *The Municipal Affairs Act*.

R.S.O. 1970, c. 118

Liability of members

31. A member is not responsible for any act, default or liability of the credit union, or for any engagement, claim, payment, loss, injury, transaction, matter or thing relating to or connected with the credit union beyond the amount paid on his share or shares.

Not bound by trust

32. A credit union is not bound to see to the execution of any trust, whether express, implied or constructive to which any share or deposit is subject.

Shares in trust

33. A member, in addition to holding shares in his own name, may subscribe for and hold shares and make deposits in trust for a named beneficiary, and such beneficiary without payment of any entrance fee shall be deemed to be a member of the credit union only for the purpose of qualifying for life insurance under a group policy of insurance purchased by the credit union on the lives of its members and is not entitled to notice of meetings or to vote at meetings.

Joint accounts

34. Two or more members may hold their shares and deposits in a joint account and, in the absence of written notice to the contrary, payment by the credit union to any of such members or to the survivor or any of the survivors of such members of any money standing to the credit of the joint share or deposit account discharges the credit union from any further liability for such payment.

Ages of members

35.—(1) Subject to the by-laws, a person under the age of eighteen years may be a member of a credit union, and every such member may enjoy all the rights of a member and execute all instruments and give all acquittances necessary to be executed or given except that members under the age of sixteen years are not entitled to vote.

Right to borrow

(2) A member under the age of sixteen years does not have the right to borrow any amount in excess of his deposits in the credit union except upon a joint and several promissory note signed by him and by a person eighteen years of age or over.

Deposits

(3) A member under the age of eighteen years may deposit money with a credit union in his own name, and the money so deposited may be repaid to him, and he

may give a valid discharge therefor, notwithstanding his minority.

Corporate and partnership members R.S.O. 1970, c. 340

36.—(1) A corporation or a partnership registered under *The Partnerships Registration Act* may become a member of a credit union on such terms and conditions as are prescribed by the regulations.

Unincorporated associations

(2) Any unincorporated association may become a member of a credit union where more than 51 per cent of the members thereof are composed of the same general group as the members of the credit union.

Transmission of shares R.S.O. 1970, c. 449

37.—(1) Subject to section 38 and *The Succession Duty Act*, where a transmission of a share in a credit union takes place by virtue of any testamentary act or instrument, or in consequence of an intestacy, if the probate of the will or letters of administration or document testamentary, or other judicial or official instrument under which the title, whether beneficial or as trustee, or the administration or control of the personal estate of the deceased is claimed to vest, purports to be granted by any court or authority in any country, the probate of will or letters of administration or document testamentary or other judicial or official instrument or an authenticated copy thereof, or an official extract therefrom, may, together with a declaration in writing showing the nature of the transmission and signed and executed by the person claiming by virtue thereof, be produced and deposited with the secretary or officer named by the board of directors of the credit union for the purpose of receiving it.

Proof

(2) The production and deposit specified in subsection 1 shall be sufficient authority to the board of directors to pay the amount or value of any obligation on shares, in pursuance of, and in conformity with the letters probate, letters of administration, or other instrument.

Payment of moneys re deceased member

38.—(1) Where a member of a credit union dies, the board of directors may pay,

(*a*) an amount not exceeding $2,500 out of the amount on deposit in the name of the deceased or for the shares of the deceased; and

(*b*) an amount not exceeding $2,500 out of any money that is received by the credit union under any policy of insurance on the life of the deceased,

to any person who the board is satisfied, by statutory declaration attested to not sooner than thirty days after the death, is entitled.

Effect of payment

(2) A payment made under subsection 1 discharges any obligation of the credit union or its board of directors in respect of the money paid but does not affect the right of any other person claiming to be entitled to recover such money from the person to whom it was paid.

Deposits or shares in trust

(3) Where a member of a credit union dies holding shares or money on deposit in his name in trust for a named beneficiary, the credit union may pay the amount of such shares or deposit and any interest thereon to the executor or administrator of the estate of the deceased member, subject to the trusts or, where there is no executor or administrator, to the beneficiary or, where the beneficiary is a minor, to his parent or guardian.

Unclaimed credits

39. Where moneys are held by a credit union for the credit of one of its members by reason of a deposit made or shares held by such member and the credit union is unable after reasonable efforts to locate the person entitled to such moneys, the credit union may pay such moneys to the Treasurer of Ontario and the Treasurer of Ontario may pay such moneys to the person entitled thereto upon satisfactory proof being furnished that he is the person entitled to receive such moneys.

Withdrawal of members

40.—(1) A member of a credit union may withdraw from a credit union at any time by giving notice thereof in accordance with the by-laws.

Idem

(2) A deceased member shall be deemed to have given notice to the credit union of his intention to withdraw on the day of his death.

Payment to withdrawing member

(3) All amounts paid to the credit union on shares and deposits by a withdrawing member shall, after deducting all amounts due from the member to the credit union, be paid to such member within ninety days of his giving notice of his intention to withdraw.

Idem

(4) A withdrawing member is entitled to receive any dividend, interest or rebate of loan interest paid or payable to other members of the credit union as at the date of his withdrawal on the same conditions that the board of directors have made applicable to all members of the credit union.

Notice of withdrawal

(5) Subject to subsection 3, a member who has given

notice of withdrawal, or is expelled from a credit union, has no further rights in the credit union, but he is not, by the withdrawal or expulsion, released from any remaining liability to the credit union.

Extension of time

(6) Where, in the opinion of the board of directors of the credit union, the payments in accordance with subsections 3 and 4 would not be in the best interests of the credit union, the board may by resolution suspend such payments for a period of one year or for such greater period and on such terms and conditions as the Director may approve.

Expulsion of members

41.—(1) Subject to subsection 2, a member may be expelled from membership in a credit union by a resolution passed by a majority of the members at a meeting duly called for that purpose.

Notice of misconduct

(2) A resolution under subsection 1 is not valid unless,

(*a*) a charge of misconduct in respect of the affairs of the credit union has been made against the member by another member by filing with the board of directors full particulars in writing of such misconduct signed by him;

(*b*) the member charged has been furnished with a copy of the particulars at least four weeks previous to the meeting at which the resolution is to be considered;

(*c*) an opportunity is given to the member charged to appear either personally or by counsel or his agent to make submissions at the meeting of the members called to consider the resolution expelling him.

Notice of meeting

(3) The notice calling the meeting of members shall state that the charge has been made and specify the names of the members concerned.

Refund to expelled member

(4) A member who is expelled is entitled to a refund of the amount paid on his shares and his deposits with the credit union as well as any patronage interest or rebate of loan interest paid or payable to other members of the credit union as of the date of his expulsion on the same conditions that the board of directors have made applicable to all members of the credit union.

Representative action

42.—(1) Subject to subsection 2, a member of a credit union may maintain an action in a court of competent

jurisdiction in a representative capacity for himself and all other members of the credit union suing for and on behalf of the credit union to enforce any right, duty or obligation owed to the credit union under this Act or under any other statute or rule of law or equity that could be enforced by the credit union itself, or to obtain damages for any breach of any such right, duty or obligation.

Court order required

(2) An action under subsection 1 shall not be commenced until the member has obtained an order of the court permitting the member to commence the action.

Notice

(3) A member may, upon at least seven days notice to the credit union, apply to the court for an order referred to in subsection 2, and, if the court is satisfied that,

(*a*) the member was a member of the credit union at the time of the transaction or other event giving rise to the cause of action;

(*b*) the member has made reasonable efforts to cause the credit union to commence or prosecute diligently the action on its own behalf; and

(*c*) the member is acting in good faith and it is *prima facie* in the interests of the credit union or its members that the action be commenced,

the court may make the order upon such terms as the court thinks fit.

Costs

(4) At any time or from time to time while an action commenced under this section is pending, the plaintiff may apply to the court for an order for the payment to the plaintiff by the credit union of reasonable interim costs, including solicitor's and counsel fees and disbursements, for which interim costs the plaintiff shall be accountable to the credit union if the action is dismissed on final disposition at the trial or on appeal.

Action not to be discontinued, etc., without court approval

(5) An action commenced under this section shall not be discontinued, settled or dismissed for want of prosecution without the approval of the court and, if the court determines that the interests of the member or any class thereof may be substantially affected by such discontinuance, settlement or dismissal, the court, in its discretion, may direct that notice in manner, form and content satisfactory to the court shall be given, at the expense of the credit union or any other party to the action as the court directs, to the members or class thereof whose interests the court determines will be so affected.

DIRECTORS

43.—(1) Each of the persons named as first directors in the articles of a credit union is a director of the credit union until replaced by a person duly elected or appointed in his stead. First directors

(2) The first directors of a credit union have all the powers and duties and are subject to all the liabilities of directors. Idem

44.—(1) Every credit union shall have a board of directors who shall be elected from its members in the manner provided in its by-laws and who shall hold office for such term as the by-laws provide and until their successors are elected. Election

(2) A credit union may by by-law increase or decrease the number of its directors set out in the articles, subject to the minimum. Change in number

45.—(1) No person shall be a director of a credit union unless he is a member thereof and of the full age of eighteen years, and, if he ceases to be a member, he thereupon ceases to be a director. Directors to be members

(2) No member shall be a director of a credit union unless he is a Canadian citizen, or is a person lawfully admitted to Canada for permanent residency who is ordinarily resident in Canada. Qualifications

(3) No person shall be a director of a credit union who is a person acting for the credit union in a professional or business capacity or who enters into continuing contracts with the credit union. Conflict of interest

46.—(1) The board of directors shall manage or supervise the affairs and business of the credit union and perform such duties as prescribed by this Act, the regulations and the by-laws of the credit union. Duties of board

(2) The by-laws may provide for the election and retirement of directors in rotation, but in that case no director shall be elected for a term of more than three years. Election in rotation

(3) A majority of the board of directors constitutes a quorum. Quorum

(4) If an election of directors is not held within the prescribed period, the directors continue in office until their successors are elected. Continuance in office

Vacancies

(5) Where a vacancy occurs in the board and a quorum of directors remains, the directors remaining in office may appoint a qualified person to fill the vacancy until the next annual meeting of the credit union.

Where no quorum

(6) When there is not a quorum of directors in office, the director or directors then in office shall forthwith call a general meeting of the members to fill the vacancies, and, in default or if there are no directors then in office, the meeting may be called by any member.

Expulsion of directors

47.—(1) When a member of the board of directors fails to attend three consecutive meetings of the board without, in the opinion of the board, having a reasonable cause therefor or fails to perform any of the duties allotted to him as a director, his position on the board may be declared vacant by the remaining directors who may appoint a qualified person to fill the vacancy until the next annual meeting of the credit union.

Removal of directors

(2) The members may, by resolution passed by two-thirds of the votes cast at a general meeting duly called for the purpose, remove a director before the expiration of his term of office, and shall by a majority of the votes cast at that meeting appoint another director in his stead for the remainder of his term.

Notice

(3) The notice calling the meeting of the members referred to in subsection 2 shall specifically state that the purpose of the meeting is to remove the director who is named therein.

Right to make representations

(4) The director has the right at the meeting to make such representations to the members regarding the resolution for his removal as he thinks fit and may be represented by legal counsel or an agent.

CREDIT COMMITTEE

Credit committee

48.—(1) Subject to section 51, every credit union shall have a credit committee who shall be elected from its members in the manner prescribed by its by-laws and who shall hold office for such term as the by-laws provide and until their successors are elected.

Number of members

(2) The credit committee shall consist of the number of members fixed by the by-laws, which shall be not fewer than three.

Qualifications

(3) No person who is a member of the board of directors

or of the supervisory committee or who is an officer of the credit union shall be a member of the credit committee.

(4) No member shall be a member of the credit committee unless he is of the full age of eighteen years. Age

(5) In addition to the members referred to in subsections 1 to 4, the president is a member *ex officio* of the credit committee. President a member

49.—(1) The credit committee shall consider all applications for loans and within the limits provided in the by-laws approve all loans to members of the credit union and perform such duties as are prescribed by this Act, the regulations and the by-laws of the credit union. Duties

(2) The by-laws of the credit union may provide for the election and retirement of members of the credit committee in rotation, but in that case no member of the credit committee shall be elected for a term of more than three years and all members shall not hold office for the same term. Election in rotation

(3) A majority of the credit committee, not including the president, constitutes a quorum. Quorum

(4) Where a vacancy occurs in the credit committee and a quorum of members of the credit committee remains, the members of the committee remaining in office may appoint a qualified person to fill the vacancy until the next annual meeting of the credit union. Vacancies

(5) When there is not a quorum of members of the credit committee in office, the board of directors may fill all vacancies until the next annual meeting of the credit union. Idem

(6) When a member of the credit committee fails to attend three consecutive meetings without, in the opinion of the other members of the committee, having a reasonable cause therefor or fails to perform any of the duties allotted to him as a member of the committee, his position on the committee may be declared vacant by the other members of the committee who may then appoint a qualified person to fill the vacancy until the next annual meeting of the credit union. Removal of member

50.—(1) The board of directors of a credit union may by by-law appoint one or more persons who are employees of the credit union, to act as a loan officer and perform all or such part of the duties of the credit committee as are specified by the by-law. Loan officer

May supersede credit committee

(2) If the by-law provides that the person or persons so appointed shall perform all the duties of the credit committee, it shall also provide that as long as the by-law remains in force, it shall not be necessary to elect a credit committee as required by section 48 or that, as long as the by-law remains in force, the credit committee shall have only the powers of an advisory committee.

Officer to approve loan

51.—(1) The credit committee may, upon such terms as it determines, authorize the treasurer, manager or other employee of the credit union to approve loans to a member in an amount not exceeding the aggregate of the amount of such member's shares and deposits, together with such other amounts up to 80 per cent of the market value of Government of Canada or provincial bonds pledged as security, and such further amounts as may be unsecured up to the maximum amount prescribed by the regulations.

Monthly report

(2) Any person authorized by the credit committee to approve loans under subsection 1 shall submit a written monthly report to the credit committee stating the number of loan applications received, the number of loans granted and the security, if any, obtained for such loans.

Duties of such persons appointed

(3) The responsibilities and duties of any person authorized to approve loans under subsection 1 is concurrent with the responsibilities and duties of the credit committee.

Credit committee reports

52. The credit committee shall keep minutes of its meetings and shall,

(*a*) submit a written monthly report to the board of directors stating the number of loan applications received, the number and category of loans granted, the security obtained for such loans together with a report on applications denied and a report on all loans that are delinquent; and

(*b*) submit a written annual report on such matters to the annual meeting of the credit union.

Removal of member

53.—(1) The members may, by resolution passed by two-thirds of the votes cast at a general meeting duly called for the purpose, remove a member of the credit committee before the expiration of his term of office, and shall by a majority of the votes cast at that meeting appoint another member in his stead for the remainder of his term.

(2) The notice calling the meeting of members referred to in subsection 1 shall specifically state that the purpose of the meeting is to remove the member of the credit committee who is named therein. Notice

(3) The member of the credit committee has the right to make such representations at the meeting regarding the resolution for his removal as he thinks fit, and may be represented by legal counsel or his agent. Right to make representations

SUPERVISORY COMMITTEE

54.—(1) Subject to section 58, every credit union shall have a supervisory committee who shall be elected from its members in the manner prescribed in its by-laws and shall hold office for such term as the by-laws provide and until their successors are elected. Supervisory committee

(2) The supervisory committee shall consist of the number of members fixed by the by-laws, which shall be not fewer than three. Composition

(3) No person who is a member of the board of directors or credit committee or who is an officer of the credit union shall be a member of the supervisory committee. Qualifications

(4) No member shall be a member of the supervisory committee unless he is of the age of eighteen years. Age

55.—(1) The supervisory committee shall examine the books of the credit union, confirm the cash instruments, property and securities of the credit union and confirm the deposits of the members and perform such other duties as are prescribed by this Act, the regulations and the by-laws of the credit union. Duties

(2) The by-laws of the credit union may provide for the election and retirement of members of the supervisory committee in rotation, but in that case no member shall be elected for a term of more than three years. Election in rotation

(3) A majority of the supervisory committee constitutes a quorum. Quorum

(4) When a vacancy occurs in the supervisory committee and a quorum of members of the supervisory committee remains, the members of the committee remaining in office may appoint another member to fill the vacancy until the next annual meeting of the credit union. Vacancies

Idem

(5) When there is not a quorum of members of the supervisory committee in office, the board of directors may fill all vacancies until the next annual meeting of the credit union.

Idem

(6) When a member of the supervisory committee fails to attend three consecutive meetings of the committee without, in the opinion of the supervisory committee, having a reasonable cause therefor, or fails to perform any of the duties allotted to him as a member of the committee, his position on the committee may be declared vacant by the remaining members of the committee who may appoint a qualified person to fill the vacancy until the next annual meeting of the credit union.

Clerks

(7) The supervisory committee may appoint such persons as it considers necessary to assist it in performing its duties, but the remuneration to be paid to such persons is subject to the approval of the board of directors.

Duty when misappropriation, etc.

56.—(1) When the supervisory committee is of the opinion that the funds, securities or other property of the credit union have been misappropriated or misdirected, or in the event that the by-laws of the credit union, this Act or the regulations have been contravened by the board of directors, the credit committee or a member thereof or an officer or employee engaged by the board of directors, the supervisory committee shall forthwith advise the Director and the Ontario Share and Deposit Insurance Corporation in writing.

Audit

(2) The supervisory committee shall appoint an auditor or auditors who may be employees of a league to assist it in determining whether any of the funds, securities or other property of the credit union have been misappropriated or any officer or employee without the holding of a general appointed shall be paid by the credit union and determined by the supervisory committee.

Suspension

(3) In the event of a misappropriation or misdirection or a suspected misappropriation or misdirection as referred to in subsection 1, the supervisory committee may suspend any member of the board of directors or credit committee or any officer or employee without the holding of a general meeting and may appoint another person to perform the duties of the person so suspended, until a new member is duly elected.

Meeting of members

(4) The supervisory committee shall forthwith give notice of a general meeting of the members to be held within fourteen days after the suspension under subsection 3.

(5) The supervisory committee shall report to the general meeting all the circumstances of any misappropriation or misdirection of funds, securities or other property and the reasons for any suspension, and the members of the credit union may, by resolution, dismiss from office any person so suspended, and, when the members of the credit union do not so vote to dismiss from office any person so suspended, that person shall be reinstated forthwith. Idem

57.—(1) The supervisory committee shall meet at least every two months and shall at each meeting examine the affairs of the credit union and where no auditor has been appointed shall audit the affairs of the credit union. Meetings

(2) The supervisory committee shall keep minutes of its meetings and shall, Report of minutes

(*a*) within seven days of each meeting report the results thereof in writing to the board of directors; and

(*b*) submit a written report to the annual meeting of the members of the credit union.

58.—(1) A credit union may, by by-law, provide for the appointment of an auditor or auditors in addition to or substitution for the supervisory committee and may delegate to such auditor or auditors such part of the duties of the supervisory committee as the by-law provides. Auditors

(2) The board of directors of the credit union may fix the remuneration of the auditor or auditors. Remuneration of auditors

(3) Where a credit union has passed a by-law under subsection 1 appointing an auditor or auditors to perform the duties of the supervisory committee, the by-law may further delegate the remaining powers and duties of the supervisory committee to the board of directors and so long as such by-law remains in force no supervisory committee shall be elected as required by section 54. Delegation of powers to board of directors

59.—(1) The members may, by resolution passed by two-thirds of the votes cast at a general meeting duly called for the purpose, remove a member of the supervisory committee before the expiration of his term of office, and shall by a majority of the votes cast at that meeting appoint another member in his stead for the remainder of his term. Removal of members

(2) The notice calling the meeting of members referred to in subsection 1 shall state that the purpose of the meeting Notice

is to remove the member of the supervisory committee who is named therein.

Right to make representations

(3) The member of the supervisory committee has the right to make such representations to the members regarding the resolution for his removal as he thinks fit, and may be represented by legal counsel or his agent.

OFFICERS

Officers

60.—(1) A credit union shall have a president and secretary and such other officers as are provided for by by-law.

Idem

(2) The board of directors shall elect the president and secretary from among themselves.

Payments to officers

(3) All payments to officers of a credit union for services rendered shall be approved by its board of directors.

Bond on certain officers and employees

61.—(1) Every officer or employee engaged by the board of directors of a credit union who receives or has charge of money shall, before assuming the duties of his office, furnish a bond for the due accounting of moneys received by him and the faithful performance of his duties with such sureties and in such form and amount as the board of directors may determine.

Minimum amount of bond

(2) The Lieutenant Governor in Council may make regulations prescribing the minimum amount of any bond to be provided under subsection 1.

AUDITORS AND FINANCIAL STATEMENTS

Appointment of auditors

62.—(1) The members of a credit union having combined paid-in capital and deposits of more than $300,000 and a credit union permitted to operate with negotiable orders shall,

(*a*) at their first general meeting appoint one or more auditors to hold office until the close of the first annual meeting and, if the members fail to do so, the board of directors shall forthwith make such appointment or appointments; and

(*b*) at each annual meeting appoint one or more auditors to hold office until the close of the next annual meeting and, if an appointment is not so made, the auditor in office continues in office until a successor is appointed.

(2) The members of any other credit union may appoint an auditor. Idem

(3) The board of directors may fill any casual vacancy in the office of auditor, but, while such vacancy continues, the surviving or continuing auditor, if any, may act. Casual vacancy

(4) The members may, by resolution passed by a majority of the votes cast at a general meeting duly called for the purpose, remove an auditor before the expiration of his term of office, and shall by a majority of the votes cast at that meeting appoint another auditor in his stead for the remainder of his term. Removal of auditors

(5) Before calling a general meeting for the purpose specified in clause *b* of subsection 1, the credit union shall, fifteen days or more before the mailing of the notice of the meeting, give to the auditor, Notice to auditor

(*a*) written notice of the intention to call the meeting, specifying therein the date on which the notice of the meeting is proposed to be mailed; and

(*b*) a copy of all material proposed to be sent to members in connection with the meeting.

(6) The auditor has the right to make to the credit union three days or more before the mailing of the notice of the meeting, representations in writing concerning his proposed removal as auditor, and the credit union, at its expense, shall forward with the notice of the meeting a copy of such representations to each member entitled to receive notice of the meeting. Right to make representations

(7) If for any reason no auditor is appointed, under subsection 1, the Director may require that the board of directors appoint one or more auditors to hold office until the close of the next annual meeting and the board shall establish the remuneration to be paid by the credit union for his or their services. Appointment by the director

(8) The credit union shall give notice in writing to an auditor of his appointment forthwith after the appointment is made. Notice of appointment

(9) A person, other than an incumbent auditor, may not be appointed auditor at an annual meeting unless notice of an intention to nominate that person to the office of auditor has been given by a member to the credit union not less than fifteen days before the mailing of the Notice of intention

notice of the meeting at which the auditor is to be appointed, and, where such notice is given, the credit union shall send a copy of the notice to the incumbent auditor and to the person whom it is intended to nominate and shall give notice thereof to the members of the credit union.

Right to make representations

(10) The incumbent auditor has the right to make to the credit union, three days or more before the mailing of the notice of the meeting representations in writing concerning the proposal not to reappoint him as auditor, and the credit union, at its expense, shall forward with the notice of the meeting, a copy of such representations to each member entitled to receive notice of the meeting.

Persons disqualified as auditors

63.—(1) No person shall be appointed or act as the auditor of a credit union who is a director, officer or employee of the credit union or who is a partner, employer or employee of any such director, officer or employee or who is a related person to any director or officer of the credit union.

Idem

(2) No person shall be appointed or act as the auditor of a credit union if he or any partner or employer of or related person to him beneficially owns, directly or indirectly, any shares or securities of the credit union or is a member of the credit union.

Auditors not to be appointed receivers

(3) No person shall be appointed a receiver or a receiver and manager or liquidator of any credit union of which he or any partner or employer of or a related person to him is the auditor or has been the auditor within the two years preceding his appointment as receiver and manager or liquidator.

Trustee in bankruptcy not to be auditor
R.S.C. 1970, c. B-3

(4) No person who is appointed a trustee of the estate of a credit union under the *Bankruptcy Act* (Canada) or any partner or employer of or a related person to him shall be appointed or act as auditor of the credit union.

Annual audit

64.—(1) The auditor shall make such examination as will enable him to report to the members of the credit union as required by subsection 2.

Auditor's report

(2) The auditor shall make a report to the members of the credit union on the financial statement to be placed before the members at its annual meeting in accordance with section 71, and shall state in his report whether in his opinion the financial statement referred to therein presents fairly the financial position of the credit union and the results of its operations for the period under review in

accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding period, if any.

Auditor's statement

(3) The auditor shall also report that his examination was made in accordance with generally accepted auditing standards and that accordingly it included such tests and other procedures as he considered necessary in the circumstances.

Qualified report

(4) When the report under subsection 2 does not contain the unqualified opinion required thereby, the auditor shall state in his report the reasons therefor.

Facts discovered after statement

(5) Where facts come to the attention of the officers or board of directors which, if known prior to the date of the last annual meeting of members, would have required a material adjustment to the financial statement presented to such meeting, the officers or board shall communicate such facts to the auditor who reported to the members under this section and the board shall forthwith amend the financial statement and send it to the auditor.

Amendment of auditor's report

(6) On the receipt of facts furnished under subsection 5 or from any other source, the auditor shall, if in his opinion it is necessary, amend his report in respect of the financial statement in accordance with subsection 4 and the board of directors or, if they fail to do so within a reasonable time, the auditor shall mail the amended report to the members.

Right of access

(7) The auditor of a credit union has right of access at all times to all records, documents, accounts and vouchers of the credit union and is entitled to require from the board of directors, officers, employees and members of the credit committee or the supervisory committee of the credit union such information and explanation as in his opinion are necessary to enable him to report as required by subsection 2.

Right to attend meetings

(8) The auditor of a credit union is entitled to attend any meeting of members of the credit union and to receive all notices and other communications relating to any such meeting that a member is entitled to receive, and to be heard at any such meeting that he attends on any part of the business of the meeting that concerns him as auditor.

Member's right to require auditor's attendance

(9) Any member of a credit union who is entitled to vote at meetings of members, may, by notice in writing to the credit union given five days or more before any meeting of

members, require the attendance of the auditor at such meeting at the credit union's expense, and in such event the auditor shall attend the meeting.

Auditor to answer inquiries

(10) At any meeting of members, the auditor, if present, shall answer inquiries directed to him concerning the basis upon which he formed the opinion stated in the report made under subsection 2.

OFFICERS—GENERAL

Standards of care

65. Every director, officer, member of a supervisory committee and member of a credit committee of a credit union shall exercise the powers and discharge the duties of his office honestly, in good faith and in the best interests of the credit union, and in connection therewith shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Validity of acts of officers and directors

66. An act done by a director, member of the supervisory committee, member of the credit committee or officer of a credit union is not invalid by reason only of any defect that is thereafter discovered in his appointment, election or qualification.

Liability

67. The liability imposed by this Act upon a director or member of the credit committee is in addition to any other liability that is by law imposed upon him.

Indemnity

68.—(1) Subject to subsection 2, the by-laws of the credit union may provide that every director, credit committee member, supervisory committee member or officer may from time to time be indemnified and saved harmless by the credit union from and against,

(*a*) any liability and all costs, charges and expenses that he sustains or incurs in respect of any action, suit or proceeding that is proposed or commenced against him or in respect of anything done or permitted by him in respect of the execution of the duties of his office; and

(*b*) all other costs, charges and expenses that he sustains or incurs in respect of the affairs of the credit union.

Idem

(2) The credit union shall not indemnify any person under subsection 1 in respect of any liability, costs, charges or expenses that he sustains or incurs in or about any action,

suit or other proceeding as a result of which he is adjudged to be in breach of any duty or responsibility imposed upon him by this Act or any other statute unless, in an action brought against him in his capacity of director, credit committee member, supervisory committee member or officer, he has achieved complete or substantial success as a defendant.

Insurance

(3) A credit union may purchase and maintain insurance for the benefit of a director, credit committee member, supervisory committee member or officer thereof, except insurance against a liability, cost, charge or expense incurred as a result of a contravention of section 65.

Disclosure of interests in contracts

69.—(1) Every director, officer, credit committee member or supervisory committee member of a credit union who has, directly or indirectly, any interest in any contract or transaction to which the credit union is or is to be a party, other than a contract limited solely to his remuneration for holding office, shall declare his interest in such contract or transaction at a meeting of the board of directors, credit committee or supervisory committee, as the case may be, and shall at that time disclose the nature and extent of such interest, to the extent to which such information is within his knowledge or control, and shall not vote and shall not in respect of such contract or transactions be counted in the quorum.

Interest must be material

(2) Subsection 1 does not require the disclosure of any interest in any contract or transaction unless the interest and the contract or transaction are both material, and the disclosure shall be made at the earliest possible meeting after the director, credit committee member or supervisory committee member becomes aware of the potential conflict of interest.

Effect of declaration

(3) If a director, officer, credit committee member or supervisory committee member has made a declaration and disclosure of his interest in a contract or a transaction in compliance with this section and has not voted in respect of the contract or transaction at the meeting at which it was considered and was acting honestly and in good faith at the time the contract or transaction was entered into, he is not by reason only of his holding office accountable to the credit union or to its members for any profit or gain realized from the contract or transaction, and the contract or transaction, if it was in the best interest of the credit union, is not voidable by reason only of his interest therein.

Confirmation by members

(4) Notwithstanding anything in this section, a director, officer, credit committee member or supervisory committee member, if he was acting honestly and in good faith, is not accountable to the credit union or to its members for any profit or gain realized from such contract or transaction by reason only of his holding office, and the contract or transaction, if it was in the best interest of the credit union at the time it was entered into is not by reason only of his interest therein voidable,

(*a*) if the contract or transaction is confirmed or approved by at least two-thirds of the votes cast at a general meeting of the members duly called for that purpose prior to the contract or transaction; and

(*b*) if the nature and extent of the interest in the contract or transaction are declared and disclosed in reasonable detail in the notice calling the meeting.

MEETINGS

Notice of meetings

70.—(1) Notice of the time and place for holding a meeting of the members of a credit union shall be given in accordance with the by-laws of the credit union, but in no event shall notice be given earlier than twenty-one days before the date of the meeting or later than fifty days before the date of the meeting.

To whom given

(2) Notice of a meeting shall be given to each member of a credit union who on the record date for notice appears on the records of the credit union as a member by sending the notice by prepaid mail to his latest address as shown on the records of the credit union.

Chairman

(3) The president, or in his absence, a vice-president who is a director, shall preside as chairman at a meeting of members, but if there is no president or such a vice-president, or if at a meeting neither of them is present within fifteen minutes after the time appointed for the holding of the meeting, the members present shall choose a person from among their number to be the chairman.

Annual meeting

71.—(1) The first and every successive meeting of a credit union shall be held at such time and place in Ontario as its by-laws provide, and, in default of provisions in that behalf, the annual meeting shall be held at its head office within 120 days of the year end of the credit union.

(2) At such meeting, the board of directors shall place the following before the credit union, Business to be dealt with

(*a*) a comparative financial statement for the period that commenced on the date of incorporation and ended not more than four months before the annual meeting or, if the credit union has completed a financial year, that commenced immediately after the end of the last completed financial year and ended not more than four months before the annual meeting, as the case may be, made up of,

(i) a statement of income for such period,

(ii) a statement of undivided earnings for such period,

(iii) a statement of statutory reserve,

(iv) a balance sheet as at the end of such period,

but it is not necessary to designate the statement referred to as the statement of income, the statement of undivided earnings, the statement of statutory reserve and the balance sheet;

(*b*) the report of the supervisory committee;

(*c*) where an auditor is required to be appointed, the report of the auditor to the members;

(*d*) such further information respecting the financial position of the credit union as its by-laws require.

(3) The balance sheet to be laid before the annual meeting shall be drawn up so as to present fairly the financial position as at the date to which it is made up so as to distinguish severally at least the following: What balance sheet to show

1. Cash and deposits.

2. Investments, the market value of which shall be stated.

3. Amounts due from members secured by a mortgage on real property.

4. Amounts due from members not secured by a mortgage on real property.

5. Land, buildings and equipment stating the basis of their valuation.

6. Bank loans and overdrafts.

7. Liability to members for amounts withdrawable by negotiable instrument.

8. Liability to members for debt obligations.

9. Amount received from members through the issuance of shares.

10. Undivided earnings.

11. Statutory reserve.

Statement of income

(4) The statement of income to be laid before an annual meeting shall be drawn up so as to present fairly the results of the operations for the period covered by the statement and so as to distinguish severally at least the following:

1. Income from amounts due from members that are secured by a mortgage on real property.

2. Income from amounts due from members that are not secured by a mortgage on real property.

3. Interest paid to members on debt obligations.

4. Provision for doubtful loans.

5. Provision for depreciation.

6. Interest rebate paid during period.

7. Non-recurring gains or losses of significant amount.

8. Taxes on income imposed by any taxing authority.

9. Directors' fees paid during the period.

10. Net income for the period.

What statement of undivided earnings to show

(5) The statement of undivided earnings shall be drawn up so as to distinguish at least the following items:

1. The balance of such undivided earnings at the end of the preceding financial period.

2. The additions to and deductions from undivided earnings during the financial period.

3. The balance of such undivided earnings at the end of the financial period.

What statement of statutory reserve to show

(6) The statement of statutory reserve shall be drawn up so as to distinguish at least the following items:

1. The balance of such reserve at the end of the preceding financial period.

2. The additions to and deductions from such reserve during the financial period.

3. The balance of such reserve at the end of the financial period.

Note to financial statement

(7) There shall be stated by way of note to the financial statement particulars of any change in accounting principle or pratice or method of applying any accounting principle or practice made during the period covered that affects the comparability of any of the statements with any of those for the preceding period and the effect, if material, of any such change upon the net income for the period.

Idem

(8) Where applicable, the following matters shall be referred to in the financial statement by way of note thereto:

1. Contractual obligations that will require abnormal expenditures in relation to the organizations normal business requirements or financial position.

2. Contractual obligations in respect of long term leases.

3. Contingent liabilities stating their nature and where practicable, the approximate amounts involved.

Form of financial statement

(9) The financial statement and reports required under this section shall be in such form and contain such additional content as are required by the regulations.

Auditor's report to be read

(10) The report of the auditor to the members shall be read at the annual meeting and shall be open to inspection at the meeting by any member.

Approval by directors

(11) The financial statement shall be approved by the board of directors and the approval shall be evidenced by the signature at the foot of the balance sheet of two of the

directors duly authorized to sign and the auditor's report shall be attached to or accompany the financial statement.

Copy to shareholders

(12) A credit union shall, at least twenty-one days before the date of the annual meeting of the members, send by prepaid mail to each member entitled to notice of the meeting at his latest address shown on the records of the credit union and to the Director a copy of the financial statement and a copy of the auditor's report, if any.

General meetings

72. The board of directors may at any time call a general meeting of the members for the transaction of any business, the general nature of which is specified in the notice calling the meeting.

Requisition for members' meeting

73.—(1) 5 per cent of the members of a credit union may requisition the board of directors to call a general meeting of the members for any purpose that is connected with the affairs of the credit union and that is not inconsistent with this Act.

Requisition

(2) The requisition shall state the general nature of the business to be presented at the meeting and shall be signed by the requisitionists and deposited at the head office of the credit union and may consist of several documents in like form, each signed by one or more requisitionists.

Duty of directors to call meeting

(3) Upon deposit of the requisition, the board of directors shall forthwith call a general meeting of the members for the transaction of the business stated in the requisition.

When requisitionists may call meeting

(4) If the board of directors do not within twenty-one days from the date of the deposit of the requisition call and hold the meeting, any of the requisitionists may call the meeting, which shall be held within sixty days from the date of the deposit of the requisition.

Calling of meeting

(5) A meeting called under this section shall be called as nearly as possible in the same manner as meetings of members are called under the by-laws, but, if the by-laws provide for more than twenty-one days notice of meetings, twenty-one days notice is sufficient for the calling of the meeting.

Repayment of expenses

(6) The credit union shall,

(*a*) reimburse the requisitionists for any reasonable expenses incurred by them by reason of the action taken by them under subsection 4; and

(*b*) retain out of any moneys due or to become due, by way of fees or other remuneration for their services, to such of the board of directors as were in default, an amount equal to the amount the requisitionists were reimbursed, unless, at the meeting, the members by a majority of the votes cast reject the reimbursement of the requisitionists.

Annual statement to be given to members

74. Every credit union shall without charge supply to every member upon application therefor or as provided by its by-laws, a copy of its last comparative financial statement and return.

Inspection of books

75.—(1) Except as provided in this Act, no member or other person has any right to inspect the books of a credit union.

Idem

(2) Any member or other person having an interest in the funds of a credit union may inspect his own account and the books containing the names of the members at all reasonable hours at its head office or at whatever other place they are kept, subject to such conditions as to time and manner of inspection as the by-laws may prescribe.

As to loan or deposit accounts of members

(3) A credit union may by by-law authorize the inspection of any of its books therein mentioned, in addition to the books containing the names of members, under such conditions as are thereby prescribed, and no person, unless he is an officer of the credit union or is specifically authorized by a resolution thereof, has the right to inspect the loan or deposit account of any other member without such other member's written consent.

Branch meetings

76.—(1) A credit union may establish a branch or branches with separate membership subject to such terms and conditions as are prescribed by the regulations and the branch may, by by-law, provide for the holding of meetings of the members who belong thereto.

Delegates

(2) Where a by-law under subsection 1 is in force, the members of a branch shall elect delegates, by special resolution, to represent the members at the annual or general meeting of the credit union, and the delegates so elected shall exercise the powers of the members of the branch at all meetings of the credit union and the members represented by such delegates are not entitled to vote at the meeting of the credit union.

Number and votes

(3) The number of delegates and votes allowed each branch at the meeting of the credit union shall be specified by the

by-laws of the credit union, as well as the time, place and manner of calling a branch meeting, the number of members of the branch that constitute a quorum and the procedure to be followed in the conduct of the branch meeting.

Majority

(4) The required majority vote for deciding each issue to be voted on at the branch meeting shall be the same as that required for deciding such issues at meetings of the entire membership of the credit union as specified in this Act, the regulations and the by-laws of the credit union.

DIVIDENDS

Dividends

77. Subject to the by-laws, the board of directors may declare, and the credit union may pay, a dividend on the amounts paid in on shares held by members at any time during the fiscal year and may, at their discretion, declare rebates of interest paid by members in respect of loans during that fiscal year.

When dividend not to be declared

78.—(1) The board of directors shall not declare and the credit union shall not pay any dividend when the credit union is insolvent, or any dividend the payment of which renders the credit union insolvent or that diminishes its capital.

Directors' joint and several liability

(2) The directors who vote in favour of or consent to the resolution authorizing the declaration of a dividend are jointly and severally liable to the credit union to the extent of the amount of the dividend so declared and paid or such part thereof as renders the credit union insolvent or diminishes its capital.

Exoneration

(3) If any director present at the meeting at which such dividend is declared, forthwith, or if any director then absent, within twenty-four hours after he becomes aware of the dividend and is able to do so, delivers or sends to the credit union by registered mail his protest against the dividend, and within eight days thereafter, sends a copy thereof to the Director, the director thereby and not otherwise exonerates himself from liability.

INVESTMENTS

Investments

79.—(1) A credit union may lend or invest its funds in,

government securities

(*a*) the bonds, debentures, stocks or other evidences of indebtedness issued or guaranteed by the government of Canada, or of a province or territory of Canada;

(*b*) the bonds, debentures or other evidences of indebtedness issued or guaranteed by a municipal corporation in Canada, or by a school or religious corporation in Canada, or secured by rates or taxes levied under the authority of the government of a province of Canada on property situate in such province and collectable by the municipalities in which such property is situate; municipal securities

(*c*) the bonds, debentures or other evidences of indebtedness issued by an authority or other body without share capital established and empowered pursuant to the law of Canada or any province thereof to administer, regulate the administration of, provide or operate port, harbour, airport, bridge, highway tunnel, transportation, communication, sanitation, water, electricity or gas services or facilities and, for any of these purposes, to levy, impose or fix taxes, rates, fees or other charges; revenue bonds

(*d*) the bonds, debentures or other evidences of indebtedness issued by a corporation that are fully secured by a mortgage, charge or hypothec to a trustee, or to the credit union upon any, or upon any combination, of the following assets, bonds, etc., secured by mortgage

(i) improved real estate or leasehold,

(ii) the plant or equipment of a corporation that is used in the transaction of its business, or

(iii) bonds, debentures or other evidences of indebtedness or shares, of a class authorized by this subsection, as investments, or cash balances, if such bonds, debentures or other evidences of indebtedness, shares or cash balances are held by a trustee,

and the inclusion, as additional security under the mortgage, charge or hypothec, of any other assets not of a class authorized by this Act as investments shall not render such bonds, debentures or other evidences of indebtedness ineligible as an investment;

(*e*) obligations or certificates issued by a trustee to finance the purchase of transportation equipment for a corporation incorporated in Canada to be used on railways or public highways, if the obligations or certificates are fully secured by, equipment trust certificates

(i) an assignment of the transportation equipment to, or the ownership thereof by, the trustee, and

(ii) a lease or conditional sale thereof by the trustee to the corporation;

debentures

(*f*) the bonds, debentures or other evidences of indebtedness issued or guaranteed by,

(i) a corporation if, at the date of investment, the preferred shares or the common shares of the corporation are authorized as investments by clause *h* or *i*,

(ii) a corporation, if its earnings in a period of five years ended less than one year before the date of investment have been equal in sum total to at least ten times and in each of any four of the five years have been equal to at least one and one-half times the annual interest requirements at the date of investment on all indebtedness of or guaranteed by it, other than indebtedness classified as a current liability in its balance sheet, and, if the corporation at the date of investment owns directly or indirectly more than 50 per cent of the common shares of another corporation, the earnings of the corporations during the said period of five years may be consolidated with due allowance for minority interests, if any, and in that event the interest requirements of the corporation shall be consolidated and such consolidated earnings and consolidated interest requirements shall be taken as the earnings and interest requirements of the corporation, and, for the purpose of this subclause, "earnings" means earnings available to meet interest charges on indebtedness other than indebtedness classified as a current liability;

guaranteed investment certificates

(*g*) guaranteed investment certificates issued by a trust company incorporated in Canada if, at the date of investment, the preferred shares or the common shares of the trust company are authorized as investments by clause *h* or *i*;

(*h*) the preferred shares of a corporation if, preferred shares

(i) the corporation has paid a dividend in each of the five years immediately preceding the date of investment at least equal to the specified annual rate upon all of its preferred shares, or

(ii) the common shares of the corporation are, at the date of investment, authorized as investments by clause *i*;

(*i*) the fully paid common shares of a corporation that during a period of five years that ended less than one year before the date of investment has either, common shares

(i) paid a dividend in each such year upon its common shares, or

(ii) had earnings in each such year available for the payment of a dividend upon its common shares,

of at least 4 per cent of the average value at which the shares were carried in the capital stock account of the corporation during the year in which the dividend was paid or in which the corporation had earnings available for the payment of dividends, as the case may be;

(*j*) mortgages or charges on improved real estate or leaseholds in Ontario notwithstanding that the mortgage or charge exceeds the amount that the credit union is otherwise authorized to invest if the excess is insured or guaranteed by the government of Canada or Ontario or by an agency of the government of Canada or Ontario or by a policy of mortgage insurance issued by an insurance company licensed under *The Insurance Act* for such class of insurance; guaranteed mortgages R.S.O. 1970, c. 224

(*k*) real estate or leaseholds for the production of income in Canada either alone or jointly with any other credit union or with any loan corporation or trust company incorporated in Canada, if, real estate or leaseholds for the production of income

(i) a lease of the real estate or leasehold is made to, or guaranteed by,

(A) the Government of Canada and its territories or of a province, or municipality thereof, or

(B) a corporation, the preferred shares or common shares of which are, at the date of investment, authorized as investments by clause *h* or *i*,

(ii) the lease provides for a net revenue sufficient to yield a reasonable interest return during the period of the lease and to repay at least 85 per cent of the amount invested in the real estate or leasehold within the period of the lease but not exceeding thirty years from the date of investment, and

(iii) the total investment of a credit union in any one parcel of real estate or in any one leasehold does not exceed 2 per cent of the book value of the total assets of the credit union,

and the credit union may hold, maintain, improve, lease, sell or otherwise deal with or dispose of the real estate or leasehold;

other real estate or leaseholds for the production of income

(*l*) real estate or leaseholds for the production of income in Canada either alone or jointly with any other credit union or with any loan corporation or trust company incorporated in Canada, if,

(i) the real estate or leasehold has produced, in each of the three years immediately preceding the date of investment, net revenue in an amount that, if continued in future years, would be sufficient to yield a reasonable interest return on the amount invested in the real estate or leasehold and to repay at least 85 per cent of that amount within the remaining economic lifetime of the improvements to the real estate or leasehold but not exceeding forty years from the date of investment, and

(ii) the total investment of a credit union in any one parcel of real estate or in any one leasehold does not exceed 2 per cent of the book value of the total assets of the credit union,

and the credit union may hold, maintain, improve, lease, sell or otherwise deal with or dispose of the real estate or dispose of the real estate or leasehold;

mutual funds

(*m*) in the fully paid shares or units of any mutual fund or corporation incorporated to offer public partici-

pation in an investment portfolio subject to such terms and conditions as may be prescribed by the Lieutenant Governor in Council.

(2) Notwithstanding clauses *j*, *k* and *l* of subsection 1, a credit union may invest its own funds to an aggregate amount not exceeding 5 per cent of its unimpaired capital, deposits and reserves, and may invest moneys received for term deposits under this Act to an aggregate amount not exceeding 5 per cent of such moneys in any other classes or types of investments, including mortgages or charges, the purchase of land, the improvement thereof, the construction of buildings thereon, and the management and disposal of such lands and buildings. Idem

80. The following restrictions, limitations and prohibitions apply to credit unions in the exercise of their investment policies under this Act, Investment restrictions

(*a*) a credit union shall not invest any of its funds in bonds, debentures or other evidences of indebtedness on which the payment of principal or interest is in default;

(*b*) a credit union shall not act as an underwriter in connection with the purchase or sale of any securities or other property of any kind;

(*c*) except as to securities issued or guaranteed by the Government of Canada or the government of a province of Canada, a credit union shall not invest in any one security or make a total investment in any one corporation that is not a credit union, either by the purchase of shares or other securities of such corporation or by lending to it on the security of its debentures or other assets or any part thereof, of more than 10 per cent of the book value of the total assets of the credit union;

(*d*) a credit union shall not make any investment the effect of which will be that it will hold more than 30 per cent of the common shares or 30 per cent of the total issued shares of any one corporation;

(*e*) the total book value of the investments of a credit union in common shares shall not exceed 5 per cent of the book value of the total assets of the credit union;

(*f*) the total book value of the investments of a credit union in real estate or leaseholds for the production of income shall not exceed 10 per cent of the book value of the total assets of the credit union;

(*g*) a credit union shall not make any investment in or loan to another credit union an amount in excess of 1 per cent of its unimpaired capital, deposits and surplus without the written approval of the Director; and

(*h*) a credit union shall not invest in the shares of a corporation that is a member of the credit union.

Loans and deposits

81.—(1) Subject to paragraphs 3 and 4 of subsection 2 of section 11, no credit union shall advance money by discount, loan or otherwise to, or accept deposits from, persons other than its members.

Limitation on interest

(2) Interest, together with all the costs of borrowing including bonuses, premiums and penalties shall not exceed such amount as is prescribed by the regulations.

Loans to officers

(3) No credit union shall lend to an officer or member of a committee or of the board of directors of the credit union an amount in excess of the aggregate of fully paid up shares and deposits of such member unless such loan is approved by the credit committee, the board of directors, and the supervisory committee.

Limitations on loans to members

(4) No credit union shall lend to a member an amount which is in excess of 10 per cent of the aggregate total of all deposits of members of the credit union or such lesser percentage as may be prescribed in the by-laws of the credit union.

Limitations on loans to unincorporated members

(5) No credit union shall lend to a member who is an unincorporated association unless such loan is approved by the credit committee, the supervisory committee and the board of directors.

Loans to corporate and partnership members

82.—(1) A credit union may make loans to corporations and partnerships who are members of the credit union in an aggregate not exceeding the greater of,

(*a*) 7 per cent of the credit union's unimpaired capital, deposits and surplus; or

(*b*) such percentage as the Director may approve, not in excess of 15 per cent of the unimpaired capital deposits and surplus of the credit union;

and such loans must be fully secured in the manner provided by the regulations.

(2) A credit union may make secured loans to unincorporated associations who are members in aggregate not exceeding 1 per cent of the credit union's unimpaired share capital. Loans to unincorporated members

(3) A credit union may make loans to members who are individuals on such terms as are provided for in the by-laws. Loans to individuals

83. A credit union may make loans to its members by way of mortgage, charge or hypothecation on a term not exceeding five years, subject to renewal if so agreed to by its members, and, Mortgage loans to members

(*a*) the maximum amount that may be loaned by way of mortgage, subject to any limitation in the by-laws of the credit union, shall not exceed,

(i) in the case of a first mortgage, three-quarters of the value of the real estate to which the mortgage or charge relates or where the excess over three-quarters of the value of the real estate to which the mortgage or charge relates is insured or guaranteed by the government of Canada, or Ontario or by an agency thereof, or by a policy of mortgage insurance issued by an insurance company licensed under *The Insurance Act* for such class of insurance 90 per cent of the value of the real estate to which the charge or mortgage relates, or R.S.O. 1970, c. 224

(ii) in the case of a second mortgage, when taken into account with the balance owing on the first mortgage, not exceeding four-fifths of the value of the real estate to which the mortgage or charge relates; and

(*b*) the mortgage shall contain a definitive provision for repayment which will result in the principal and interest being fully repaid within twenty-five years or such longer period of time as the regulations may prescribed,

but if the credit union becomes an approved lender for the purpose of making loans under the *National Housing Act*, the provisions of that Act apply to mortgage loans undertaken by the credit union under that Act. R.S.C. 1970, c. N-10

Student loans

R.S.C. 1970, cc. S-17, F-3, F-22

84. A credit union may make guaranteed loans under and in accordance with the provisions of the *Canada Student Loans Act* (Canada), the *Farm Improvement Loans Act* (Canada) or the *Fisheries Improvement Loans Act* (Canada) and such other Act as may be approved by the regulations.

Loans and advances

85.—(1) The credit committee may approve an extension of credit for a member by way of contract loans and advances may be made to such member from time to time within the limits of the approved extension of credit.

Review

(2) Every three months, the credit committee shall review all extensions of credit and an extension of credit expires if the member becomes more than ninety days in default of any repayment.

Contract loans

(3) An extension of credit by way of contract loan is a loan within the meaning of this Act.

Directors, etc., not to guarantee loans

86. No director, member of a credit committee, member of a supervisory committee or credit union officer or employee shall cosign, endorse, or act as a guarantor for any borrower from the credit union unless such loan was made to a related person and approved in the manner provided in section 81.

Postponement or renegotiation of loans

87. The credit committee of a credit union may in its discretion,

(*a*) upon receipt of a written request from a borrower or his cosigner, postpone the due date for the repayment of any one or more instalments of the principal of the loan or any part of an instalment or postpone the due date for the payment of any one or more payments of interest on the loan or any part of a payment, or both, and fix due dates accordingly;

(*b*) upon being satisfied that a loan is reasonably secure, authorize the release or substitution of any security or securities, in whole or in part, taken to secure a loan from the credit union to a member; and

(*c*) renegotiate a loan from the credit union to a member upon new terms in the event the circumstances of the borrower have changed.

Disposal of authorized investments

88.—(1) The Director may order a credit union to dispose of and realize any of its investments not authorized

by this Act, the regulations or the by-laws and the credit union shall within sixty days after receiving the order absolutely dispose of and realize such investments, and, if the amount realized therefrom falls below the amount paid by the credit union for the investments, the board of directors of the credit union are jointly and severally liable for the payment to the credit union of any deficiency.

Exoneration

(2) If any director present at the meeting at which an investment to which subsection 1 applies is authorized, forthwith, or if any director then absent, within fourteen days after he becomes aware of the investment and is able to do so, delivers or sends to the credit union by registered mail his protest against the investment, and within thirty days thereafter, sends a copy thereof by registered mail to the Director, the director thereby and not otherwise exonerates himself from liability.

Call of unauthorized loans

89.—(1) The Director may order a credit union to call any loan it has made not authorized by this Act, the regulations or the by-laws and the credit union shall within sixty days after receiving the direction call the loan, if possible, and, if within that time the full amount of the loan is not repaid, the members of the credit committee are jointly and severally liable for the payment to the credit union of any deficiency upon the maturity of the loan.

Exoneration

(2) If any member of the credit committee present at the meeting at which such loan is authorized, forthwith, or if any credit committee member then absent, within fourteen days after he becomes aware of the loan and is able to do so, delivers or sends to the credit union by registered mail his protest against the loan, and, within thirty days thereafter, sends a copy thereof by registered mail to the Director, the credit committee member thereby and not otherwise exonerates himself from liability.

Term deposits

90. A credit union may by by-law provide for accepting money on deposit at a specified rate of interest for a term not longer than five years.

Negotiable orders

91.—(1) Where the combined share capital and the deposits of a credit union exceed $100,000 and it has appointed an auditor in accordance with this Act and it has an accounting system satisfactory to the Director and its board of directors has so authorized, it may, so long only as the Director approves in writing, permit its members to use negotiable orders for the withdrawal of moneys on deposit.

Reserve

(2) Every credit union to which the Director has given his approval under subsection 1 shall at all times maintain,

(*a*) cash on hand or on callable deposit with a chartered bank in Canada, a loan or trust company registered under *The Loan and Trust Corporations Act*, the Province of Ontario Savings Office, or a league; and

R.S.O. 1970, c. 254

(*b*) unencumbered bonds, debentures or other obligations of or guaranteed by the Government of Canada or by the government of any province and shares of a league to an aggregate of at least 20 per cent of the amount of money deposited with the credit union or league that is withdrawable by negotiable order.

Revocation of approval

(3) The Director may at any time revoke any approval given under subsection 1.

Reserves on deposits

92.—(1) Each credit union shall at all times maintain,

(*a*) cash on hand or on callable deposit with a chartered bank in Canada, a loan or trust company registered under *The Loan and Trust Corporations Act*, the Province of Ontario Savings Office, or a league;

(*b*) unencumbered bonds, debentures or other obligations of or guaranteed by the Government of Canada or by the government of any province or shares of a league to an aggregate of at least 10 per cent of the amount of the deposits, shares, and borrowings of the credit union excluding therefrom deposits subject to withdrawal by negotiable order.

Percentage of cash and callable deposits

(2) Of the amount required to be maintained under subsection 1, at least 10 per cent shall be maintained in cash or on callable deposit as provided in clause *a* of subsection 1.

Prohibition

(3) No credit union shall make any loan or investment other than an investment authorized by clause *b* of subsection 1 until it has satisfied the requirements of subsection 1.

Regulations re reserves

93. The Lieutenant Governor in Council may make regulations prescribing further percentages of the reserves or classes of deposits or investments required to be maintained under sections 91 and 92.

Provision for losses and accrued interest

94.—(1) Every credit union in computing its annual profits shall make full provision for,

(*a*) all doubtful loans, other doubtful receivables, and losses on investments; and

(*b*) all interest accruing on deposits.

Establishment of reserve fund

(2) A credit union may by special resolution establish a reserve fund or funds and may transfer to the reserve fund out of earnings from time to time such amounts as the board of directors may by resolution direct.

Use of guarantee fund

R.S.O. 1970, c. 98

(3) A credit union shall apply its guarantee fund as required by section 30 of *The Credit Unions Act*, as it provided before the 31st day of December, 1972, to ensure provision is made as required by clause *a* of subsection 1 and the surplus then remaining in the guarantee fund shall be held as a reserve fund.

Use of reserve fund

(4) The disposition of any amounts held in a reserve fund established under subsection 3 shall be by special resolution and is subject to the written consent of the Director.

Funding of provision for losses

(5) Where the balance standing to the credit of the guarantee fund on the 30th day of December, 1972, is insufficient to provide the full amount required to be provided for under clause *a* of subsection 1, the credit union may either fund the deficiency over a period not exceeding three years in annual amounts approved by the Director or charge the deficiency against the balance standing to the credit of undivided earnings at that date.

Regulations re reserve for losses

(6) The Lieutenant Governor in Council may make regulations prescribing the minimum amounts that may be considered as making adequate allowances for the provision referred to in clause *a* of subsection 1.

ONTARIO SHARE AND DEPOSIT INSURANCE CORPORATION

Interpretation

95. In sections 96 to 118, "Corporation" means the Ontario Share and Deposit Insurance Corporation.

Corporation established

96.—(1) There is hereby established a corporation without share capital to be known as the Ontario Share and Deposit Insurance Corporation.

Application of R.S.O. 1970, c. 89

(2) *The Corporations Act* does not apply to the Corporation.

Corporation members

(3) The members of the Corporation shall be all credit unions incorporated in Ontario.

Board of directors

97.—(1) The board of directors of the Corporation shall be appointed by the Lieutenant Governor in Council and shall consist of,

(*a*) three persons nominated by a league that has more than fifty members and that is approved by the Lieutenant Governor in Council for the purpose of this section;

(*b*) one person nominated by a league that has fewer than fifty members and that is approved by the Lieutenant Governor in Council for the purpose of this section; and

(*c*) three persons to represent the public and the credit unions who are not members of a league.

Chairman

(2) The board of directors shall elect or appoint from among themselves a chairman.

Functions

98.—(1) The affairs of the Corporation shall be administered by the board of directors.

Chairman to preside

(2) The chairman shall preside at all meetings of the Corporation but, where at any meeting the chairman is absent, one of the directors present thereat who is chosen so to act by the directors present shall preside and has and shall exercise the powers of the chairman.

Secretary and treasurer

(3) The board of directors may appoint a secretary and a treasurer.

Quorum

(4) A majority of the members of the board of directors constitutes a quorum.

Travelling expenses

(5) A member of the board of directors shall be paid by the Corporation out of its income all reasonable travelling and living expenses incurred by him while absent from his ordinary place of residence in the course of his duties as a director and, in addition, may be paid out of income as remuneration for his services and duties such daily or other amount as may be fixed by the board and reported to its members in its annual report.

Annual report

99.—(1) The Corporation shall within four months after the termination of each financial year transmit to its members, the Minister and the Superintendent, an annual report relating to its activities in that year including financial statements of the Corporation and the auditor's report thereon.

(2) The Superintendent shall be deemed to have an interest in the Corporation as representative of all persons who may be claimants against credit unions, and the board of directors, officers and employees of the Corporation shall from time to time furnish the Superintendent with such information and financial statements with respect to the Corporation as the Superintendent may require, and the Superintendent shall make an annual examination and report to the Minister and the Minister shall then lay the annual report of the Corporation and report of the Superintendent before the Assembly if it is in session or, if not, at the next ensuing session. Annual examination of the Superintendent

100. The members of the board of directors shall hold office for a term of three years commencing on the date on which they were appointed and thereafter until their successors are appointed and any casual vacancy occurring shall be filled in accordance with section 97 for the balance of the term of the director whose office became vacant. Term of office

101. The objects of the Corporation are, Objects

(*a*) to accumulate, manage, invest, disburse and pay out a separate fund for each league and a further fund for all independent members, such funds to be accounted for separately and each fund receiving the revenues or assets and bearing all direct charges and an appropriate portion of such other charges as may be applicable to it;

(*b*) to provide, in its discretion, financial assistance, having regard to the liabilities and assets of each fund, for the purpose of assisting any credit union in the appropriate category in its continued operation or in the orderly liquidation of its operations;

(*c*) to provide, for the benefit of persons having shares or deposits with credit unions in Ontario deposit insurance against loss of part or all of such shares or deposits, by making payments to such persons to the extent and in the manner authorized by this Act.

102. The Corporation may do all things necessary or incidental to its objects and in particular, but without limiting the generality of the foregoing, the Corporation may, in furtherance of its objects, Ancillary powers

(*a*) acquire assets from credit unions, make loans or advances to credit unions and take security

therefor and guarantee loans to or deposits with credit unions;

(*b*) require the payment of levies by credit unions for the purpose of establishing and maintaining the assets of the corporation;

(*c*) assume the costs of winding up of credit unions;

(*d*) acquire assets of credit unions from a liquidator or receiver thereof;

(*e*) make an advance or grant for the purpose of paying lawful claims against credit unions in respect of any claims of their members for withdrawal of deposits or share capital and become subrogated as an unsecured creditor for the amount of such advance;

(*f*) borrow money on the credit of the Corporation or on bills of exchange or promissory notes drawn, made, accepted or endorsed by or on behalf of the Corporation and may pledge as security all or any part of the assets of the funds;

(*g*) make or cause to be made such inspections or examinations of credit unions as may be authorized under this Act;

(*h*) declare and pay dividends to its members; and

(*i*) do all such other things, not contrary to this Act, as may be necessary for the exercising of any of the powers of the Corporation.

Powers and duties of Corporation

103. The board of directors shall administer the affairs of the Corporation in all things and make, or cause to be made, for the Corporation any description of contract that the Corporation may by law enter into, and, subject to the approval of the Lieutenant Governor in Council, the Corporation may make by-laws for,

(*a*) the administration, management and control of the property and affairs of the Corporation;

(*b*) the functions, duties and remuneration of all officers, agents and employees of the Corporation;

(*c*) the appointment or disposition of any special committees from time to time created by the Corporation;

(*d*) the appointment of an auditor;

(*e*) determining the seal of the Corporation;

(*f*) the time and place for the holding of meetings of the board of directors and the procedure in all things at such meetings;

(*g*) prescribing standards of sound business and financial practices for credit unions;

(*h*) prescribing the manner in which a credit union may represent that it is a contributor to the Corporation;

(*i*) defining the expression "deposit" for the purpose of deposit insurance;

(*j*) authorizing and controlling the use by credit unions of marks, signs, advertisements or other devices indicating that deposits with credit unions are insured by the Corporation;

(*k*) the conduct in all other particulars of the affairs of the Corporation.

Powers of investigation

104. For the purposes of carrying out any investigation or inquiry authorized by this Act, the Corporation may appoint any person in writing to carry out the investigation or inquiry and the person so appointed shall be given free access to the books, records and documents of the credit union and has the powers of a commission under Part II of *The Public Inquiries Act, 1971*, which Part applies to the investigation or inquiry as if it were an inquiry under that Act.

1971, c. 49

Prohibition as to holding out insured

105.—(1) No person, other than a credit union who is a member of the Corporation, shall by any written or oral representations of any kind advertise or hold out any corporation, society or association as being insured or approved for deposit insurance by the Corporation and a person who contravenes this subsection is guilty of an offence.

Advertising

(2) No credit union shall advertise or hold out by any written or oral representation that it is insured by the Corporation otherwise than by such marks, signs, advertisements or other devices as are authorized by the by-laws of the Corporation and used in the manner and on the occasions prescribed by the by-laws and a credit union who contravenes this subsection is guilty of an offence.

Fiscal year

106. The fiscal year end of the Corporation ends on the 31st day of December in each year.

Investment of funds

107.—(1) The Corporation may, in its discretion, invest any funds not required in carrying out its objectives in the classes of securities in which a credit union may invest its funds under section 79 and subject to the restrictions, limitations and prohibitions contained in section 80.

Idem

(2) Notwithstanding subsection 1, the Corporation shall at all times maintain more than 50 per cent of the book value of its total assets invested in,

(*a*) unencumbered debentures, bonds, stocks or other securities of or guaranteed by the Government of Canada or of or guaranteed by any province of Canada;

(*b*) the bonds, debentures or other evidences of indebtedness issued or guaranteed by a municipal corporation in Canada;

(*c*) guaranteed investment certificates issued by a trust company incorporated in Canada if, at the date of investment, the preferred or common shares of the trust company are authorized as investments under section 79;

R.S.O. 1970, c. 254

(*d*) cash on hand or on deposit in a chartered bank or a loan or trust company registered under *The Loan and Trust Corporations Act* or a league, or the Canadian Co-operative Credit Society or other institution that is prescribed by regulation,

except that not more than 20 per cent of the book value of its total assets shall at any one time be invested in any one of investments referred to in clauses *a*, *b*, *c* and *d*.

Duty to insure

108.—(1) The Corporation shall insure each deposit with a credit union, except so much of any one deposit as exceeds $20,000.

How payable

(2) Where the Corporation is obliged to make payment in respect of any deposit insured by deposit insurance, the Corporation, as soon as possible after the obligation arises, shall, in respect of such deposit, make payment to such person as appears entitled thereto by the records of the credit union with whom the deposit was made, by paying such person an amount in money equal to so much of his money as is insured by the Corporation.

(3) Payment under this section by the Corporation in respect of any deposit insured by deposit insurance discharges the Corporation from all liability in respect of that deposit and in no case is the Corporation under any obligation to see to the proper application in any way of the payment so made. Discharge of liability

(4) Where the Corporation makes a payment under this section in respect of any deposit with a credit union, the Corporation is subrogated to the extent of the payment made to all the rights and interest of the depositor as against that credit union. Subrogation

109.—(1) No credit union that is carrying on business in Ontario shall accept deposits or moneys on account of shares after the coming into force of this section unless it is insured by the Corporation from and after that day in accordance with this Act and the by-laws of the Corporation. Insuring credit unions

(2) Where a credit union commences business in Ontario after the day on which this section comes into force, the deposits with the credit union shall be insured by the Corporation in accordance with this Act and the by-laws of the Corporation from and after the day the credit union commences business. Idem

(3) Where a credit union becomes insured with the Corporation, the Corporation shall issue to the credit union a certificate of deposit insurance in the form prescribed by the regulations. Certificate

110.—(1) The deposit insurance of a credit union may be cancelled on not less than thirty days notice to the credit union by the Corporation when, Cancellation of deposit insurance

(*a*) the credit union is in breach of the standards of business and financial practices prescribed by the Corporation or any of conditions of a policy of deposit insurance issued to it;

(*b*) the credit union ceases to accept deposits or issue shares; or

(*c*) an order has been made under section 116 for the Corporation to take possession of the credit union.

(2) When the deposit insurance of a credit union is cancelled by the Corporation, the deposits with the credit union on the day the cancellation takes effect, less any withdrawals from such deposits, continue to be insured for a period of Effect of cancellation

two years or, in the case of a term deposit with a remaining term exceeding two years, to the maturity thereof.

Notification to depositors

(3) Where the deposit insurance of a credit union has been cancelled, the credit union shall notify its depositors of that fact and shall cease to accept deposits from the date of cancellation forward.

Public notice

(4) The Corporation may, in such manner as it considers expedient, give public notice of the cancellation of deposit insurance of a credit union if, in the opinion of the Corporation, the public interest requires that such notice be given.

Assessment from league

111.—(1) The Corporation shall assess and collect during its first year of operation from each league an amount equal to 1 per cent of the aggregate total share capital and deposits of each credit union that is a member of the league at the end of the fiscal year of the league immediately preceding the assessment and the league is entitled to recover an appropriate amount from each of its members.

Assessment from credit unions outside league

(2) The Corporation shall assess and collect during its first year of operation from every credit union that is not a member of a league an amount equal to 1 per cent of the total share capital and deposits of the credit union at the end of the fiscal year of the credit union immediately preceding the assessment.

Annual assessments

(3) The Corporation shall in each year thereafter assess and collect from such credit union, directly or through a league, in each year an amount equal to 1 per cent of the increase of its share capital and deposits.

Extra-ordinary assessment

(4) Notwithstanding subsection 3, the Corporation may assess and collect from every credit union, directly or through a league, such further amount, based on the total amount of the shares and deposits of the credit union as at the end of the fiscal year immediately preceding the assessment, as the Corporation considers necessary to replace any advances or payments made by the Corporation in the exercise of its powers under this Act.

Idem

(5) For the purposes of the assessment referred to in subsection 4, the Corporation shall maintain separate funds for each league and a further fund to encompass the activities of all credit unions that do not belong to a league and each such assessment shall be fixed by the Corporation having regard to the financial position of each fund.

(6) All amounts assessed by the Corporation against a credit union or league for the purposes of this Act shall be deemed to be a debt owing to the Corporation and the amount thereof, together with any interest levied by the Corporation as an overdue charge is recoverable by action in any court of competent jurisdiction. Assessment of debt

(7) A credit union shall charge any assessment levied under subsection 4 as an expense, but, notwithstanding subsection 6, a credit union may treat any other assessment levied under this section as an investment, the value whereof shall be adjusted from time to time in accordance with the financial position of the appropriate fund accumulated by the Corporation. Assessment to be treated as an expense

(8) Where in any year its earnings have exceeded its expenses, the Corporation may in its discretion declare a dividend to all credit unions participating in that fund of an amount not more than such excess. Dividends

(9) On the dissolution of a credit union, the Corporation shall repay to it an amount equal to its assessments paid under subsection 1, 2 or 3, adjusted in accordance with the financial position of the appropriate fund, and for this purpose the Corporation's evaluation of the financial position of the fund shall be conclusive. Replacement on dissolution

112. Notwithstanding anything in this Act, the Corporation may remit or defer the collection of any assessment made by the Corporation subject to the approval of the Director and upon such terms and conditions as he may direct. Repayments

113.—(1) The Corporation shall maintain an account for each fund to be known as the accumulated net earnings to which shall be credited all earnings including realized profits on the sale of securities and to which shall be charged all expenses including operating and administrative expenses, costs of examinations and inspections of credit unions, losses and specific provisions for losses and losses on sales of securities. Accumulated net earnings

(2) The accumulated net earnings for each fund shall be reported as a separate item in any statement of assets and liabilities of the Corporation and shown as an addition to or a deduction from each fund. Separate item in report

114.—(1) For the purposes of the Corporation, the affairs of each credit union shall be examined by a person provided for under this section at least once in each year, and a copy Annual examination of credit unions

of such examination shall be forthwith transmitted by the examiner to the Corporation and the Director.

Idem

(2) The annual examination shall be made,

(*a*) where the credit union is a member of a league, by the league;

(*b*) where the credit union is not a member of a league, by the Director,

and the cost shall be borne by the Corporation, except that the Corporation may, in place of an examination made under clause *a* or *b*, accept the report of the annual examination of the auditor of the credit union.

Examination of leagues

(3) The Director shall make the annual examination of each league at the expense of the Corporation, and shall give a copy of his report to the Corporation.

Contents of examiner's report

115.—(1) The person examining the affairs of a credit union under section 114 shall include in the report whether or not, in his opinion, there has been any change in the circumstances of the credit union that might materially affect the financial position of the credit union and particularly, without limiting the generality of the foregoing, whether or not, in his opinion,

(*a*) the assessment return made by the Corporation and in which payment to the Corporation was based are correct;

(*b*) the operations of the credit union are being conducted in accordance with sound business and financial practices; and

(*c*) the credit union is in a satisfactory financial condition.

Idem

(2) Each report shall further state whether or not, in the opinion of the examiner under section 114, there has been any contravention of the provisions of this Act and shall be served on the credit union.

Order taking over management

116.—(1) Where the Corporation has received a report under sections 114 and 115, that the affairs of a credit union are not in a satisfactory financial condition, and has given the credit union an opportunity to be heard and after such further inquiry and investigation as the Corporation sees fit to make, the Corporation agrees with the report, the Corporation by order, shall itself or by some other person named in

the order, forthwith take possession of the property of such credit union and conduct its business and take such steps as in the Corporation's opinion may be taken toward the removal of the causes and conditions which have made such proceedings necessary, and for such purposes and without limiting the generality of the foregoing,

(*a*) the Corporation, or person named in the order, has all the powers of the board of directors of the credit union;

(*b*) the Corporation, or person named in the order, has power to exclude from the credit union its officers, directors, servants and agents from the property and business of the credit union; and

(*c*) the Corporation, or person named in the order, has power to carry on, manage and conduct the operations of the credit union and in the name of the credit union to preserve, maintain, realize, dispose of and add to the property of the credit union, to amalgamate with another credit union or to sell to another credit union all or part of its assets, subject to section 130 or 131 to receive the incomes and revenues of the credit union and to exercise all the powers of the credit union.

Idem, upon request

(2) Upon the request of a credit union, the Corporation may with respect to such credit union exercise the powers mentioned in subsection 1.

Termination of order

117. If at any time the Corporation considers that the affairs of the credit union have been placed in a satisfactory financial condition, the Corporation may return possession of the property of the credit union to it, and, upon such return, the order and the powers of the Corporation under which the Corporation took possession of the property of the credit union terminate.

Review of order

118.—(1) A credit union may apply to the Commercial Registration Appeal Tribunal for a review of any order of the Corporation under subsection 1 of section 116 within thirty days after the making of the order and the delivery of a copy thereof to an officer of the credit union.

Stay

(2) The order of the Corporation takes effect immediately, but the Tribunal may grant a stay until the review is disposed of.

Hearing

(3) The Tribunal shall fix a time and place for a hearing of the application and shall at least ten days before the day

fixed cause notice thereof to be served upon the applicant, the Corporation, the Director and any other person appearing to the Tribunal to have an interest in the application.

Parties

(4) Every person upon whom notice of the hearing is served and any other person added by the Tribunal are parties to the proceedings.

Powers of Tribunal

(5) The Tribunal shall hold the hearing and may by order direct the Corporation to take such action as the Tribunal considers proper or to refrain from taking any action specified in the order and thereupon the Corporation shall act accordingly.

Further decision

(6) Notwithstanding the order of the Tribunal, the Corporation has power to make any further reports and orders on new material or where there is a material change in the circumstances, and any such further order is subject to review under this section.

WINDING UP

Interpretation

119. In sections 120 to 128, "contributory" means a person who is liable to contribute to the property of a credit union in the event of the credit union being wound up under this Act.

Voluntary winding up

120.—(1) Where the members of a credit union by a special resolution require the credit union to be wound up, the credit union may be wound up voluntarily.

Appointment of liquidator

(2) At such meeting, the members shall appoint one or more persons, who may be directors, officers or employees of the credit union or a league, as liquidator of the estate and effects of the credit union for the purpose of winding up its affairs and distributing its property, and may at that or any subsequent general meeting fix his remuneration and the costs, charges and expenses of the winding up.

Publication of notice of winding up

(3) A credit union shall file a copy of the resolution requiring the voluntary winding up of the credit union with the Director within ten days after the resolution has been passed and shall publish a notice of the resolution in *The Ontario Gazette* within twenty days after the resolution has been passed and in a newspaper having a general circulation in the locality in which the head office of the credit union is situate.

Vacancy in office of liquidator

(4) Where in a voluntary winding up a vacancy occurs in the office of liquidator by death, resignation or other-

wise, the members by a majority of the votes cast at a general meeting called for that purpose may elect a liquidator to fill the vacancy.

Removal of liquidator

(5) The members of the credit union may by a majority of the votes cast at a general meeting called for that purpose remove a liquidator previously appointed and in such case shall appoint another liquidator in his stead.

Commencement of winding up

(6) A voluntary winding up commences at the time of the passing of the resolution requiring the winding up.

Credit union to cease undertaking

(7) Where a credit union is being wound up voluntarily, the credit union shall, from the date of the commencement of the winding up, cease to carry on its undertaking, except in so far as may be required for the beneficial winding up thereof, and notwithstanding that it may be otherwise provided by its charter or by-laws, its corporate existence and all its corporate powers continue until the affairs of the credit union are wound up.

No proceeding against credit union without leave

(8) After the commencement of a voluntary winding up, no action or other proceedings shall be commenced against the credit union and no attachment, sequestration, distress or execution shall be put in force against the estate or effects of the credit union except by leave of the court and subject to such terms as the court imposes.

Liquidator to take custody

(9) Upon his appointment, the liquidator shall take custody and control of all property, rights and privileges of the credit union or to which the credit union appears to be entitled and shall take all necessary steps to wind up the credit union.

Liquidator to file with Director

(10) Within sixty days after his appointment, the liquidator shall prepare a statement of the assets, debts and liabilities of the credit union and shall file the statement with the Director.

List of contributories and calls

(11) Upon a voluntary winding up, the liquidator,

(*a*) shall settle the list of contributories;

(*b*) may, before he has ascertained the sufficiency of the property of the credit union, call on all or any of the contributories for the time being settled on the list of contributories, to the extent of their liability, to pay any sum that he considers necessary to satisfy the liabilities of the credit union, and the costs, charges and expenses of winding up and for the

adjustment of the rights of the contributories among themselves;

(*c*) a list of contributories settled by the liquidator is admissible in evidence as *prima facie* proof of the liability of the persons named therein to be contributories.

Meetings of credit union during winding up

(12) The liquidator may, during the continuance of the voluntary winding up, call general meetings of the members of the credit union for the purpose of obtaining their approval by resolution or for any other purpose as he thinks fit.

Arrangements with creditors

(13) The liquidator, with the approval of a resolution of the members of the credit union passed in general meeting, may make such compromise or other arrangement as the liquidator thinks expedient with any creditor or person claiming to be a creditor or having or alleging that he has a claim, present or future, certain or contingent, liquidated or unliquidated, against the credit union or whereby the credit union may be rendered liable.

Power to compromise with debtors and contributors

(14) The liquidator may, with the approval of a resolution of the members of the credit union passed in general meeting, compromise all debts and liabilities capable of resulting in debts and all claims, whether present or future, certain or contingent, liquidated or unliquidated, subsisting or supposed to subsist between the credit union and any contributory, alleged contributory or other debtor or person who may be liable to the credit union and all questions in any way relating to or affecting the property of the credit union, or the winding up of the credit union upon the receipt of such sums payable at such times and generally upon such terms as are agreed, and the liquidator may take any security for the discharge of such debts or liabilities and give a complete discharge in respect thereof.

Account to be made by liquidator

(15) The liquidator shall make up an account showing the manner in which the winding up has been conducted and the property of the credit union disposed of, and thereupon shall call a general meeting of the members of the credit union for the purpose of having the account laid before them and hearing any explanation that may be given by the liquidator and with the approval of a majority of the votes within ten days after the holding of the meeting cast at the meeting, the liquidator shall send a notice to the Director stating that the meeting was held, the date thereof and requesting dissolution.

Director to recommend dissolution

(16) The Director, upon being satisfied that the affairs of the credit union have been duly liquidated, may in

writing recommend to the Minister that the credit union be dissolved.

(17) The Minister may by order declare the credit union to be dissolved on such date as the order fixes and shall cause notice of any such dissolution of the credit union to be given in *The Ontario Gazette* and to the Director. Dissolution

121.—(1) A credit union may be wound up by order of the court, Winding up by court order

(*a*) where the members by a majority of the votes cast at a general meeting called for that purpose, pass a resolution authorizing an application to be made to the court to wind up the credit union;

(*b*) where proceedings have been commenced to wind up the credit union voluntarily and it appears to the court that it is in the interest of contributories and creditors that the proceedings should be continued under the supervision of the court;

(*c*) where it is proved to the satisfaction of the court that the credit union, though it may be solvent, cannot by reason of its liabilities continue its business and that it is advisable to wind it up; or

(*d*) where in the opinion of the court it is just and equitable for some reason other than the bankruptcy or insolvency of the credit union that it should be wound up.

(2) A winding up order may be made upon the application of the credit union or a member or, where the credit union is being wound up voluntarily, upon the application of the Director, liquidator or contributory or of a creditor having a claim of $200 or more. Who may apply

(3) Except where the application is made by the credit union, four days notice of the application shall be given to the credit union. Notice to credit union

(4) Except where the application is made by the Director, four days notice of the application shall be given to the Director. Notice to Director

(5) The court may, Power of court

(*a*) make the order applied for;

(*b*) dismiss the application with or without costs;

(*c*) adjourn the hearing conditionally or unconditionally;

(*d*) make an interim or other order as it considers appropriate; or

(*e*) refer the proceedings for the winding up to an officer of the court for inquiry and report and may authorize the officer to exercise such powers of the court as are necessary for the reference.

Appointment of liquidator

(6) The court making the winding up order may appoint one or more persons as liquidator of the estate and effects of the credit union for the purpose of winding up its affairs and distributing its property.

Remuneration

(7) The court may at any time fix the remuneration of the liquidator and the costs, charges and expenses of the winding up.

Vacancy

(8) Where a liquidator who is appointed by the court dies or resigns or the office becomes vacant for any reason, the court may fill the vacancy.

Removal

(9) The court may by order, for cause, remove a liquidator appointed by it and appoint another liquidator in his stead.

Notice of appointment

(10) A liquidator appointed by the court shall forthwith give notice to the Director and the Minister of the court order respecting the winding up and shall publish the notice in *The Ontario Gazette*.

Commencement of winding up

(11) Where a winding-up order is made by the court without prior voluntary winding-up proceedings, the winding up shall be deemed to commence at the time of the service of the notice of the application upon the Director.

Proceedings in winding up after order

(12) Where a winding-up order has been made by the court, proceedings for the winding up of the credit union shall be taken in the same manner and with the like consequences as are provided for a voluntary winding up, except that,

(*a*) the list of contributories shall be settled by the court unless it has been settled by the liquidator before the winding-up order; and

(*b*) all proceedings in the winding up are subject to the order and direction of the court.

Review by court

(13) Where the list of contributories has been settled by the liquidator before the winding-up order, it is subject to review by the court.

Meeting of members may be ordered

(14) Where a winding-up order has been made by the court, the court may direct meetings of the members of the credit union to be called, held and conducted in such manner as the court thinks fit for the purpose of ascertaining their wishes, and may appoint a person to act as chairman of any such meeting and to report the results of it to the court.

Order for delivery of property

(15) Where a winding-up order has been made by the court, the court may require any contributory for the time being settled on the list of contributories, or any director, employee, trustee, receiver, banker, agent or officer of the credit union, to pay, deliver, convey, surrender or transfer forthwith, within such time as the court directs, to the liquidator any money, books, papers, registers and other records, estate or effects that are in his hands and to which the credit union is, ***prima facie***, entitled.

Inspection of documents and records

(16) Where a winding-up order is made by the court, the court may make an order for the inspection of the books, papers, registers and other records of the credit union by its creditors and contributories, and any documents and records in the possession of the credit union may be inspected in conformity with the order.

Proceedings against credit union after order

(17) After the commencement of a winding up by order of the court,

(*a*) no action or other proceedings shall be commenced or continued against the credit union; and

(*b*) no attachment, sequestration, distress or execution shall be carried out against the estate or effects of the credit union,

except by leave of the court and subject to such terms as the court may impose.

Provision for discharge of liquidator and distribution by the court

(18) Where the realization and distribution of the property of a credit union being wound up under an order of the court has proceeded so far that in the opinion of the court it is expedient that the liquidator should be discharged and that the property of the credit union remaining in his hands

can be better realized and distributed by the court, the court may make an order discharging the liquidator and for payment, delivery and transfer into court, or to such officer or person as the court directs, of such property, and it shall be realized and distributed by or under the direction of the court among the persons entitled thereto in the same way as nearly as may be as if the distribution were being made by the liquidator and the court may make an order directing how the documents and records of the credit union and of the liquidator are to be disposed of, and may order that they be deposited in court or otherwise dealt with as the court considers appropriate.

Order for dissolution

(19) The court at any time after the affairs of the credit union have been fully wound up may, upon the application of the liquidator or any other person interested, make an order dissolving it, and it is dissolved on the date fixed in the order.

Notice to Director

(20) The person on whose application the order was made shall, within ten days after it was made, file with the Director a certified copy of the order and the Director shall cause notice of the dissolution to be made in *The Ontario Gazette*.

Dissolution by the Minister

122.—(1) The Director, after the credit union has been given an opportunity to be heard by the Director, may recommend to the Minister that an order be made dissolving a credit union if he is satisfied that,

(*a*) its incorporation was obtained by fraud or mistake;

(*b*) it exists for an illegal purpose;

(*c*) the number of its members is reduced to fewer than twenty;

(*d*) it is not carrying on business or is not in operation; or

(*e*) it has contravened any of the provisions of this Act or the regulations.

Notice to credit union

(2) Where the Director recommends to the Minister that an order be made dissolving a credit union, a copy of his recommendations and the reasons therefor shall be delivered to the credit union.

Submissions to Minister

(3) The credit union may, within fifteen days after receiving the copy of recommendations and reasons of the Director

under subsection 2, make written submissions to the Minister in respect thereof.

Order for dissolution

(4) After considering the recommendations of the Director and the submissions, if any, of the credit union, the Minister may, in his discretion, order that the credit union be dissolved and, if necessary, shall appoint a liquidator to carry out the dissolution.

Liquidation

(5) The liquidator shall proceed to wind up the credit union and subsections 7 to 17 of section 120 apply thereto, except that no approval of the members of the credit union is required thereunder.

Director to report

(6) The Director upon being satisfied that the affairs of the credit union have been duly liquidated shall so report to the Minister.

Order declaring dissolution

(7) The Minister may by order declare that the credit union has been dissolved on such date as the order fixes and shall cause notice of the dissolution to be given in *The Ontario Gazette*.

Liability of members to creditors

123.—(1) Notwithstanding the dissolution of a credit union, each of the members among whom its property has been distributed other than the refunds of deposits, remains liable to its creditors to the extent of the amount received by him upon the distribution, and an action in a court of competent jurisdiction to enforce such liability may be brought against him within two years from the date of the dissolution and not thereafter.

Action against one member as representing class

(2) Where there are numerous members, the court referred to in subsection 1 may permit an action to be brought against one or more members as representatives of the class and, if the plaintiff establishes his claim as creditor, may make an order of reference and add as parties in the referee's office all such members as are found, and the referee shall determine the amount that each should contribute towards the plaintiff's claim and may direct payment of the sums so determined.

Forfeiture of undisposed property

124. Subject to section 123, any real or personal property of a credit union that has not been disposed of at the date of its dissolution is forfeit to the Ontario Share and Deposit Insurance Corporation.

Responsibilities of liquidator

125. Upon a winding up of a credit union,

(*a*) the liquidator shall apply the property of the credit

union in satisfaction of all its debts, obligations and liabilities, and, subject thereto, shall distribute any remaining property rateably among the members according to their rights and interests in the credit union;

(*b*) in distributing the property of the credit union, debts due to the employees of the credit union for services performed due at the commencement of the winding up or within one month before, not exceeding three months wages and accumulated sickness benefits or vacation pay accrued for not more than twelve months, shall be paid in priority to the claims of the ordinary creditors, and such persons shall rank as ordinary creditors for any additional amount of their claims for wages;

(*c*) all the powers of the board of directors of a credit union being wound up cease upon the appointment of a liquidator except to the extent that the liquidator may permit the continuance of these powers for the purpose of assisting the winding up proceedings.

Distribution of property R.S.O. 1970, c. 470

126. Section 53 of *The Trustee Act* applies *mutatis mutandis* to liquidators.

Payment of costs and expenses

127. The costs, charges and expenses of the winding up including the remuneration of the liquidator are payable out of the property of the credit union in priority to all other claims.

Powers of liquidator

128.—(1) A liquidator may,

(*a*) bring or defend any action, suit or prosecution, or other legal proceedings, civil or criminal, in the name and on behalf of the credit union;

(*b*) carry on the business of the credit union so far as may be necessary for the beneficial winding up of the credit union;

(*c*) sell the real and personal property of the credit union by public auction or private sale;

(*d*) borrow money on behalf of the credit union as may be necessary for the winding up of the credit union;

(*e*) draw, accept, make and endorse any bill of exchange or promissory note in the name and on behalf of the credit union;

(*f*) raise upon the security of the property of the credit union such moneys as may be required;

(*g*) take out in his official name, letters of administration of the estate of any deceased contributory and in his official name, do any other act that may be necessary for obtaining payment of any money due from a contributory or from his estate that cannot conveniently be done in the name of the credit union;

(*h*) do and perform all acts and other things and execute under the corporate seal or otherwise all documents in the name and on behalf of the credit union as may be necessary for winding up the affairs of the credit union and distributing its property;

(*i*) engage the services of a solicitor to assist him in the performance of his duty;

(*j*) employ an agent to do any business that the liquidator is unable to do himself;

(*k*) claim and, where necessary, prove any claim against the estate of a contributory for any debt or liability to the credit union;

(*l*) receive dividends in the distribution of an estate of a contributory in respect of any debt or liability mentioned in clause *k*;

(*m*) compromise all calls, and liabilities to call, debts and liabilities capable of or resulting in debts, and all claims, whether present or future, certain or contingent, liquidated or unliquidated, subsisting or alleged as subsisting between the credit union and any other person;

(*n*) do and execute all such other things as are necessary for winding up the affairs of the credit union and distributing its property.

Bills of exchange deemed drawn in the course of business

(2) The execution, endorsement or making of all agreements, contracts, bills of exchange or other documents by a liquidator on behalf of a credit union has the same effect with respect to the rights and liabilities of the credit union as if the agreements, contracts or bills of exchange or other documents had been executed, endorsed or made by or on behalf of the credit union in the course of carrying on its business.

Where approval required

(3) The liquidator shall not exercise power granted under clause *a*, *d*, *f*, *m* or *n* of subsection 1,

(*a*) in the case of a voluntary winding up, unless he has obtained the approval in writing of the Director; or

(*b*) in the case of a winding up by order of the court, unless he has obtained the approval of the court.

Notice of liability of contributory

(4) The liability of a contributory is a debt accruing due from him at the time when his liability commenced, but payable at the time when calls are made for enforcing the liability.

Who liable in case of death

(5) Where a contributory dies before or after he is placed on the list of contributories, his personal representative, in administering the estate of the contributory, is liable to contribute to the property of the credit union in discharge of the liability of the deceased contributory and shall be a contributory accordingly.

Examination of persons as to estate

(6) The court may, at any time after the commencement of the winding up, summon to appear before the court or liquidator, any director, manager, employee or officer of the credit union, or any other person known or suspected to have in his possession any of the estate or effects of the credit union, or alleged to be indebted to the credit union, or any person whom the court thinks capable of giving information concerning the dealings, estate or effects of the credit union.

Damages against delinquent directors, etc.

(7) Where, in the course of the winding up of a credit union, it appears that a person who has taken part in the formation or promotion of the credit union or any past or present director, manager, officer, employee, liquidator or receiver of the credit union has misapplied or retained in his own hands, or become liable or accountable for money of the credit union, or has committed any misfeasance or breach of trust in relation to the credit union, the court may, on the application of a creditor, member, director, liquidator, or contributory, inquire into the conduct of that person and order him to restore the money so misapplied or retained, or for which he has become liable or accountable together with interest at such rate as the court considers just or to contribute such sum to the property of the credit union by way of compensation in respect of the misapplication, retention, misfeasance or breach of trust as the court considers just.

(8) Where a credit union has been wound up under this Act and is about to be dissolved, the books, registers and other records and papers of the credit union and of the liquidator may be disposed of in such manner as the Director may order, in the case of voluntary winding up, or as the court may order in the case of winding up under court order. Disposal of records

(9) The Lieutenant Governor in Council may make regulations respecting the procedure to be followed in a winding up, and, unless otherwise provided by this Act or by those regulations, the practice and procedure in a winding up under the *Winding-up Act* (Canada) apply. Regulations R.S.C. 1970, c. W-10

129. Where proceedings are taken under the *Winding-up Act* (Canada) in respect of a credit union, the secretary of the credit union shall send notice thereof to the Director by registered mail. Notice of winding-up proceedings

AMALGAMATIONS

130.—(1) Any two or more credit unions may amalgamate and continue as one credit union. Amalgamation of credit unions

(2) The credit unions proposing to amalgamate shall enter into an agreement for the amalgamation prescribing the terms and conditions of the amalgamation, the mode of carrying the amalgamation into effect, and, in particular, the agreement shall set out, Amalgamation agreement

(*a*) the name of the amalgamated credit union;

(*b*) the limitation on membership in the amalgamated credit union;

(*c*) the name in full, callings and places of residence of the first directors of the amalgamated credit union;

(*d*) the time and manner of election of subsequent directors of the amalgamated credit union;

(*e*) the par value of each share of the amalgamated credit union;

(*f*) the manner of converting the share capital of each of the amalgamating credit unions into that of the amalgamated credit union;

(*g*) such other details as are necessary to perfect the

amalgamation and to provide for the subsequent management and operation of the amalgamated credit union.

Filing of agreement

(3) Within one month after the agreement is signed, the parties shall file with the Director, in triplicate, true copies of the amalgamation agreement.

Submission to members of credit unions

(4) The agreement is subject to the approval of the Director, and to adoption by a vote of two-thirds of the votes cast at a meeting of each of the amalgamating credit unions called for the purpose of considering the agreement within one month after the approval of the Director is given and, when so adopted, the fact shall be certified upon the agreement by the secretary of each of the amalgamating credit unions under the corporate seal.

Application for certificate of amalgamation

(5) If the agreement is adopted in accordance with subsection 3, the amalgamating credit unions may apply jointly to the Minister for a certificate of amalgamation.

Certificate of amalgamation

(6) The Minister may, in his discretion, issue a certificate of amalgamation, and on and after the date of the certificate such amalgamating credit unions are amalgamated and are continued as one credit union under the name set forth in the certificate, and the amalgamated credit union possesses all the property, rights, privileges and franchises and is subject to all the liabilities, contracts, disabilities and debts of each of the amalgamating credit unions.

Notice

(7) The Minister shall cause notice of the issue of the certificate of amalgamation to be given in *The Ontario Gazette* and to the Director.

Sale and purchase of assets

131.—(1) A credit union may sell all or any part of its assets to another credit union or it may purchase all or any part of the assets of another credit union in accordance with this section.

Agreement

(2) The agreement of purchase and sale is subject to the approval of the Director.

Purchase price

(3) The purchasing credit union may assume, as part of the purchase price, any or all of the liabilities of the selling credit union and may pay the balance in cash or by the issue of shares to the selling credit union or the members thereof whether or not such members are members of the purchasing credit union.

Approval by members

(4) The agreement as approved by the Director is subject

to the approval of the members of each of the credit unions by at least a two-thirds vote of the members present at each meeting, and the secretary of each credit union shall certify on the agreement that it has been so approved and shall forward a copy of the agreement so certified to the Director.

Effect of approval

(5) Upon the approval of the members of each of the credit unions, the agreement is binding on each of the credit unions and the sale shall thereafter be completed as of the effective date specified in the agreement, which shall be a date subsequent to the approval by the members of each of the credit unions.

Effective date

(6) In the event the agreement does not specify an effective date, the Director may fix a date upon which it will become effective.

Where all assets disposed of

(7) If the selling credit union has disposed of all its assets under the agreement, it shall cease to carry on business on the effective date of the agreement, except for the purpose of winding up its affairs, and it shall dissolve as soon as possible thereafter.

REORGANIZATION

Amendment of Articles

Amendments

132.—(1) Subject to sections 133 and 134, a credit union may, from time to time, amend its articles of incorporation to,

(*a*) limit or otherwise vary its powers;

(*b*) change its name;

(*c*) provide for any other matter that is authorized by this Act to be set out in the articles or that could be subject to a by-law of the credit union.

Authorization

(2) An amendment under subsection 1 shall be authorized by special resolution and such further authorization as the by-laws provide.

Articles of amendment

133. The credit union shall deliver to the Minister, within six months after the special resolution has been confirmed by the members, articles of amendment in duplicate, executed under the seal of the credit union and signed by two officers, or by one director and one officer, of the credit union and verified by affidavit of one of the officers or directors signing the articles of amendment, setting out,

(*a*) the name of the credit union;

(*b*) a certified copy of the special resolution;

(*c*) that the amendment has been duly confirmed and authorized as required by section 132; and

(*d*) the date of the confirmation of the special resolution by the members.

Certificate of amendment

134.—(1) If the articles of amendment conform to law, the Minister shall, when all prescribed fees have been paid,

(*a*) endorse on each duplicate of the articles of amendment the word "Filed" and the day, month and year of the filing thereof;

(*b*) file one of the duplicates in his office; and

(*c*) issue to the corporation or its agent a certificate of amendment to which he shall affix the other duplicate.

Effect of certificate

(2) The amendment becomes effective upon the date set forth in the certificate of amendment and the articles of incorporation are amended accordingly.

Restatement of Articles

Restatement of articles

135.—(1) Subject to subsections 2 and 3, a credit union may at any time restate its articles of incorporation as theretofore amended.

Filing of restatement

(2) The credit union shall deliver to the Minister the restated articles in duplicate, executed under the seal of the credit union and signed by two officers, or by one director and one officer, of the credit union and verified by affidavit of one of the officers or directors signing the restated articles, setting out,

(*a*) all the provisions that are then set out in the original articles of incorporation as theretofore amended; and

(*b*) a statement that the restated articles correctly set out without change the corresponding provisions of the original articles as theretofore amended.

Certificate of restatement

(3) If the restated articles of incorporation conform to law, the Minister shall, when all prescribed fees have been paid,

(*a*) endorse on each duplicate of the restated articles the word "Filed" and the day, month and year of the filing thereof;

(*b*) file one of the duplicates in his office; and

(*c*) issue to the credit union or its agent a restated certificate of incorporation to which he shall affix the other duplicate.

Effect of certificate

(4) The restated articles of incorporation become effective upon the date set forth in the restated certificate and supersede the original articles of incorporation and all amendments thereto.

RETURNS AND INSPECTIONS

Annual statements

136.—(1) A credit union shall, not later than four months after the end of its fiscal year, deliver to the Director, in the form prescribed by the regulations, an audited statement as to its receipts and expenditures, assets and liabilities, and the auditor's report, if any, and the statement shall also contain such other information as to compliance with this Act and the regulations as the Director requires.

Information for Director

(2) A credit union shall furnish the Director with such statements with respect to its business, finances and other affairs and with such other information as he requires and the board of directors, officers and employees shall cause their books and records to be open for inspection and otherwise facilitate any examination.

Verification

(3) The statement and other information required shall be certified by the supervisory committee and shall be verified by the affidavit of the president and of the treasurer or manager.

Inspection by appointee of Director

137. When the Director is required or authorized by this Act to make an examination, inspection or investigation, he may appoint in writing a duly qualified member of his staff to make such examination, inspection or investigation on his behalf.

Examination

138.—(1) The Director or any person authorized in writing by the Director shall review the annual statements received by him and he shall be given such additional information as he requires by both the Ontario Share and Deposit Insurance Corporation and the credit union and he may visit the head office of each credit union and he may inspect and examine into the conditions and affairs of any

credit union and shall be given access to all books, records and other documents and may make such inquiries as are necessary to ascertain its condition and ability to provide for the payment of its liabilities as they become due, and whether or not it has complied with this Act.

Report to Corporation

(2) Where the Director considers it necessary and believes on reasonable and probable grounds that a credit union is unable to provide for the payment of its liabilities as they become due he shall immediately report thereon in writing to the Ontario Share and Deposit Insurance Corporation.

Further examination

(3) Where the Director believes on reasonable and probable grounds that a credit union has failed to comply with the provisions of this Act or the regulations and it is expedient to make a further examination into the affairs of a credit union, the Director may, in his discretion, visit or cause a member of his staff to visit any office of the credit union to inspect and examine into its affairs and to make such further inquiries as the Director may require.

Material to be furnished on inspection

(4) For the purpose of the examination referred to in subsection 5, the credit union shall prepare and submit to the Director such statements with respect to its business, finances or other affairs, in addition to the statement mentioned in section 136, as the Director may require, and the board of directors, officers, agents and servants of the credit union shall cause its books to be open for inspection and shall otherwise facilitate such examination.

Examination under oath

1971, c. 49

(5) Upon such inspection or examination, the Director, or any person authorized by him, has the powers of a Commission under Part II of *The Public Inquiries Act, 1971*, which Part applies to the inquiry as if it were an inquiry under that Act.

Prohibition against accepting deposits

139.—(1) Where it appears to the Director from an examination of the condition and affairs of a credit union that the assets are shown on the statement mentioned in section 136 at an amount greater than the true value, he may require the credit union to set aside out of earnings such additional reserves as he considers necessary, and, where in his opinion the value of the assets of the credit union is less than its liabilities, including the deposits and share accounts of its members, the Director may prohibit the credit union from taking further deposits or payments to its members, or may limit such payments for such period as he considers necessary to protect the interests of the members,

and he may take such other action as he considers necessary for the protection or in the interest of the members, including the calling of meetings of members and having his representative attend the meeting for the purpose of explaining the situation to the members.

Suspension of business

(2) The Director may order a credit union to discontinue doing business for such time as he determines if, after an inspection thereof, he is satisfied that the continuance in business of the credit union is not in the members interest and shall report forthwith to the Ontario Share and Deposit Insurance Corporation the order made and the reasons therefor.

EXTRA-PROVINCIAL CREDIT UNIONS

Extra-provincial credit unions

140.—(1) A credit union incorporated under the laws of a province other than Ontario may register under this Act for such limited purposes as may be approved by the Director other than the taking of deposits or the making of loans.

Register

(2) The Director shall maintain a register called the "Extra-Provincial Credit Unions Register" wherein shall be recorded the names of the credit unions registered and the limited purposes to which they are subject in Ontario.

Condition precedent to licence under R.S.O. 1970, c. 89

(3) No credit union that is an extra-provincial corporation within the meaning of *The Corporations Act* shall be licensed under that Act as an extra-provincial corporation unless it has been first registered under this Act by the Director.

OFFENCES

Offences re records and inspections

141. Every person who,

(*a*) refuses or neglects to make an entry in any record required by this Act, the regulations or the by-laws to be kept;

(*b*) refuses to produce any document or record of a credit union for the purpose of any inspection, examination or investigation authorized by this Act, the regulations or the by-laws;

(*c*) obstructs any person authorized by this Act, the regulations or the by-laws to inspect, examine or investigate the affairs of the credit union,

is guilty of an offence.

Offence, false statements

142.—(1) Every person who makes or assists in making a statement in any document required by or for the purposes of this Act or the regulations or the by-laws of a credit union that, at the time and in the light of the circumstances under which it was made, is false or misleading in respect of any material fact or that omits to state any material fact the omission of which makes the statement false or misleading is guilty of an offence.

Defence

(2) No person is guilty of an offence under subsection 1 if he did not know that the statement was false or misleading and in the exercise of reasonable diligence could not have known that the statement was false or misleading.

Failure to file annual return

143.—(1) A credit union that is in default of filing the annual statement required by section 136 is guilty of an offence and upon summary conviction is liable to a fine of not more than $50 for each day such default continues.

Failure to pay Corporation

(2) A credit union that is in default of payment of any assessment made on it by the Ontario Share and Deposit Insurance Corporation is guilty of an offence and upon summary conviction is liable to a fine of not more than $50 for each day such default continues.

General penalty

144.—(1) Every person who is guilty of an offence under this Act for which no penalty is otherwise provided is liable on summary conviction to a fine of not more than $2,000 or, if such person is a corporation, to a fine of not more than $10,000.

Officers of corporations

(2) Where a corporation is guilty of an offence referred to in subsection 1, every director or officer thereof who authorized, permitted or acquiesced in the offence is also guilty of the offence and on summary conviction is liable to a fine of not more than $2,000.

REGULATIONS

Regulations

145. The Lieutenant Governor in Council may make regulations,

(*a*) prescribing the procedure and forms to be used under this Act;

(*b*) requiring and prescribing the fees payable for incorporation of credit unions and credit union leagues, for amalgamation of credit unions, for changing the name of credit unions, upon filing

any articles of incorporation, return or other document required or permitted to be filed under this Act, for searches, and for certified copies of certificates of incorporation and other documents;

(*c*) respecting the holding of first meetings, the notice calling the meeting, the quorum, and the business to be transacted;

(*d*) governing the operations and powers of branches of credit unions;

(*e*) governing credit unions and leagues of credit unions;

(*f*) prescribing any matter required by this Act to be prescribed by the regulations.

MISCELLANEOUS

Transitional continuance, of letters patent, etc.

146.—(1) The letters patent, supplementary letters patent or memorandum of association of any credit union to which this Act applies continue and shall be deemed to be amended in accordance with the provisions of this Act on the day that it comes into force and any additions or amendments to or deletions from any provision in the memorandum of association, letters patent or supplementary letters patent of a credit union shall be made in accordance with this Act.

of redeemable securities

(2) Any investment in a redeemable security made by a credit union prior to the date of the coming into force of this Act that, but for this Act, would have been an authorized investment may be disposed of prior to maturity or held to maturity and any realized gains or losses may be brought through income accounts over the period to maturity.

Repeals

147. The following are repealed:

1. *The Credit Unions Act*, being chapter 96 of the Revised Statutes of Ontario, 1970.

2. *The Credit Unions Amendment Act, 1972*, being chapter 172.

3. *The Credit Unions Amendment Act, 1974*, being chapter 39.

4. Paragraph 10 of the Schedule to *The Age of*

Majority and Accountability Act, 1971, being chapter 98.

5. Section 38 of *The Government Reorganization Act, 1972*, being chapter 1.

Commencement

148. This Act comes into force on a day to be named by proclamation of the Lieutenant Governor.

Short title

149. This Act may be cited as *The Credit Unions Act, 1976*.

The Credit Unions Act, 1976

1st Reading

June 3rd, 1976

2nd Reading

3rd Reading

THE HON. S. B. HANDLEMAN
Minister of Consumer and
Commercial Relations

(*Government Bill*)

1976

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

The Credit Unions and Caisses Populaires Act, 1976

THE HON. S. B. HANDLEMAN
Minister of Consumer and Commercial Relations

(Reprinted as amended by the Administration of Justice Committee)

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Note

The Bill re-enacts *The Credit Unions Act* for the purpose of making the law governing the incorporation and regulation of credit unions, caisses populaires and credit union leagues complete and self-contained, as recommended by the Select Committee on Company Law.

Principal changes include the following:

1. The provisions of *The Business Corporations Act* are in most respects adopted for application to credit unions and leagues.

2. All by-laws of credit unions require approval.

3. Provision is made for branches and branch meetings.

4. Corporate members are recognized and capacity for members who are minors to deal directly.

5. Second mortgage loans and term deposits are authorized.

6. Investment provisions are fully set out.

7. The Ontario Share and Deposit Insurance Corporation is established, financed by assessments from credit unions, to provide deposit insurance with incidental powers for annual examinations.

TABLE OF CONTENTS

	PAGE
Interpretation	1
Incorporation	3
Leagues	9
Contracts	11
By-laws	12
Capital	14
Borrowing	15
Registers	16
Members	16
Directors	23
Credit Committee	24
Supervisory Committee	27
Officers	30
Auditors and Financial Statements	30
Officers—General	34
Meetings	36
Dividends	40
Investments	40
Ontario Share and Deposit Insurance Corporation	51
Winding Up	62
Amalgamations	73
Reorganization	75
Returns and Inspections	77
Extra-Provincial Credit Unions	79
Offences	79
Regulations	80
Miscellaneous	81

BILL 97 **1976**

The Credit Unions and Caisses Populaires Act, 1976

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

INTERPRETATION

1.—(1) In this Act, Interpretation

(*a*) "articles of incorporation" or "articles" means the original or restated articles of incorporation, articles of amalgamation, articles of amendment, memorandum of association, a special Act or other instrument by which a credit union is incorporated and includes any amendment thereto;

(*b*) "auditor" means a person who is a public accountant licensed under *The Public Accountancy Act*; R.S.O. 1970, c. 373

(*c*) "by-law" means a by-law approved under this Act, and includes any amendment or revocation of a by-law approved under this Act;

(*d*) "capital" means the outstanding amount that has been received from members on account of shares;

(*e*) "certificate of incorporation" includes the memorandum of association, a special Act or any other instrument by which a credit union is incorporated;

(*f*) "court" means the Supreme Court of Ontario;

(*g*) "credit union" means a corporation incorporated as a credit union or caisse populaire under this Act or a predecessor of this Act;

(*h*) "debt obligation" means a bond, debenture, note or other similar obligation of a corporation, whether secured or unsecured;

(*i*) "deposit" includes all sums placed on deposit with a credit union;

(*j*) "Director" means the Director of Credit Unions of the Ministry of Consumer and Commercial Relations;

(*k*) "financial statement" means a financial statement referred to in section 71;

(*l*) "league" means a corporation incorporated as a credit union league or federation under this Act or a predecessor of this Act;

(*m*) "member" means a person who is a member or enrolled as a member of a credit union under this Act, the articles and the by-laws of the credit union governing membership;

(*n*) "Minister" means the Minister of Consumer and Commercial Relations;

(*o*) "officer" means the president, any vice-president, treasurer, secretary, manager, assistant treasurer, assistant secretary, assistant manager and any employee who has authority to approve loans and any employee of a credit union who reports directly to the board of directors;

(*p*) "personal representative" where used with reference to holding shares or having deposits in that capacity means an executor, administrator, guardian, tutor, trustee, receiver or liquidator, or the committee of or curator to a mentally incompetent person;

(*q*) "regulations" means the regulations made under this Act;

(*r*) "related person", where used to indicate a relationship with any person, means any spouse, son or daughter of that person, or any relative of that person or of his spouse, son or daughter who has the same home as that person;

(*s*) "special resolution" means a resolution that is not effective until it is passed by the board of directors of the credit union and confirmed, with or without variations, by at least two-thirds of the votes cast at a general meeting of the members of the credit union duly called for that purpose;

(*t*) "Superintendent" means the Superintendent of Insurance;

(*u*) "surplus" means the aggregate balances of undivided earnings, statutory reserve and other reserves.

Joint shares

(2) For the purposes of this Act, two or more persons holding the same share or shares jointly shall be considered as one member.

Director of Credit Unions

2.—(1) There shall be a Director of Credit Unions appointed by the Lieutenant Governor in Council, who shall exercise the powers and shall perform the duties conferred or imposed on him by this Act or the regulations under the supervision of the Superintendent.

Application of R.S.O. 1970, c. 89

(2) *The Corporations Act* does not apply to credit unions or credit union leagues.

INCORPORATION

Incorporation

3.—(1) A credit union may be incorporated under this Act by articles of incorporation for the objects stated in section 11 and the incorporation is subject to the approval of the Minister.

Application

(2) Any number of natural persons, not fewer than twenty, who are of the age of eighteen years or more, may apply to be incorporated as a credit union by signing and delivering to the Minister, in duplicate, articles of incorporation in the form prescribed by the regulations together with two copies of the proposed by-laws of the credit union.

Articles of incorporation

(3) The articles of incorporation shall set out:

1. The name of the credit union to be incorporated.

2. The place in Ontario where the head office of the credit union is to be located giving the municipality and the county or district or where the head office is to be located in a territory without municipal organization, the geographic township and district, if any.

3. The name of each of the incorporators and residence address of each.

4. The number of directors of the credit union, which shall be not fewer than five, and the name and residence address, giving the street and number, if any, of each person who is a first director of the credit union.

5. Any other matter required by this Act or the regulations to be set out in the articles.

Idem

(4) The articles may set out any provision that is authorized by this Act to be set out in the articles or that could be the subject of a by-law of the credit union.

Affidavits

(5) The signature of each incorporator and each first director and the fact that each incorporator and each first director is of the age of eighteen years or more shall be verified by affidavit.

Director may direct amendment of by-laws

(6) The proposed by-laws shall be in accordance with section 16 and if the Director finds the proposed by-laws repugnant to this Act he may direct an amendment before the application is proceeded with.

Report to Minister

(7) The Director shall inquire into the circumstances, sufficiency and regularity of the articles of incorporation and accompanying proposed by-laws delivered to the Minister and may require any matter to be verified under oath and shall report thereon to the Minister.

Reasons

(8) Where the Director reports to the Minister that the articles of incorporation should not be filed, his report shall include the reasons therefor and a copy of his report shall be delivered to the incorporators.

Submissions to Minister

(9) The incorporators may, within fifteen days after receiving the report and reasons of the Director under subsection 8, make written submissions to the Minister in respect thereof.

Issuance of certificate of incorporation

(10) After considering the report of the Director and the submissions, if any, of the incorporators, the Minister may, in his discretion and after all prescribed fees have been paid,

(*a*) endorse on the duplicate of the articles the words "Filed" and the day, month and year of the filing thereof;

(*b*) file one of the duplicates in his office; and

(*c*) issue to the incorporators or their agent a certificate of incorporation to which he shall affix the other duplicate.

Effect of incorporation

(11) A credit union comes into existence upon the date set forth in its certificate of incorporation and the certificate of incorporation, the articles of incorporation, and the by-laws

of the credit union, together with this Act, constitute the charter of the credit union.

(12) A certificate of incorporation is conclusive proof that all conditions precedent required to be performed by the incorporators have been complied with and that the credit union has been incorporated under this Act, except in a proceeding under section 122. Notice

4.—(1) No credit union shall be incorporated under a name identical with that of any other credit union or of any corporation or organization or under a name so nearly resembling that of any other credit union, corporation or organization as, in the opinion of the Minister, to be likely to deceive or under a name that may otherwise, in the opinion of the Minister, be objectionable on public grounds. Name

(2) If a credit union, through inadvertence or otherwise, has acquired a name contrary to subsection 1, the Minister may, after he has given the credit union an opportunity to be heard, issue a certificate of amendment to the articles changing the name of the credit union to the name specified in the certificate, and upon issuance of the certificate of amendment, the articles are amended accordingly. Change if objectionable

5.—(1) The name of a credit union shall include the words "credit union" or "caisse populaire" as part thereof. Use of "credit union"

(2) The name of the credit union shall have the words "Limited" or "Limitée", or "incorporated" or "incorporée", or its corresponding abbreviation "Ltd", "Ltée", or "Inc" as the last word thereof. Use of "Limited"

(3) Notwithstanding subsection 1, a credit union incorporated under a predecessor of this Act may continue to use the name under which it was incorporated. Exception from subs. 1

6. Notwithstanding section 5, a credit union may use its name in such form and in such language as the articles provide and as the Minister approves. Use of name

7. A change of name of a credit union does not affect its rights and obligations. Effect of change of name

8. Any person, not being a credit union or league to which this Act applies, who carries on business under a name or title in which the words "credit union" or "caisse populaire" are used is guilty of an offence. Use of words "credit union"

9.—(1) A credit union shall have a seal, which shall be adopted and may be changed by resolution of the directors. Seal

(2) The name of the credit union shall appear in legible characters on the seal. Idem

Head office

10.—(1) A credit union shall at all times have its head office in Ontario at the place where its articles provide.

Change

(2) A credit union may by by-law change the geographic location of its head office to another place in Ontario if such change would better serve its purpose and objects.

Objects of credit unions

11.—(1) The articles of a credit union shall state its objects and purposes as being the promotion of co-operative enterprise, the facilitating of the accumulation of savings and the creation of a source of credit for its members at conscionable rates of interest and the provision of full financial services for its members and every credit union shall be deemed to have such objects in its articles.

Ancillary powers

(2) For the purpose of carrying out its objects, subject to the other provisions of this Act, the regulations, the articles and the by-laws of the credit union, every credit union has power as incidental and ancillary to its objects,

1. to receive moneys on deposit from members and as payment for shares;

2. to make loans to members, with or without security;

3. to make loans to other credit unions, where the loans are approved by the Ontario Share Deposit Insurance Corporation;

4. to deposit moneys with, invest in shares of, or make loans to, any league;

5. to make donations and gifts out of the surplus income or any undivided earnings for the purpose of advancing the interest of the credit union or of credit unions generally and for charitable purposes;

6. to purchase, lease, or take in exchange, hire or otherwise acquire any personal property and any right or privilege the credit union considers necessary or convenient for the purpose of the credit union;

7. to invest funds of the credit union;

8. where authorized to do so by a special resolution, to sell, lease, exchange or otherwise dispose of all or substantially all the property of the credit union for such consideration as the credit union considers appropriate;

9. to construct, maintain and alter any buildings or works necessary for its objects;

10. to lease and, where authorized by by-law, to acquire by purchase or otherwise and hold any real property or interest therein necessary for its present or future use and occupation or for carrying on its undertaking, and, when no longer necessary therefor, to sell, alienate or convey it;

11. to take, hold, alienate, realize on, or otherwise dispose of any real or personal property that has been mortgaged or pledged to the credit union by way of security for, or conveyed to it in satisfaction of loans made in the course of business or otherwise purchased for the purpose of avoiding a loss to the credit union;

12. to draw, make, accept, endorse, execute, discount and issue promissory notes, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments;

13. subject to such conditions as are prescribed by the regulations, to establish and operate branch offices to provide credit union services;

14. to pay all costs and expenses of, or incidental to, the incorporation and organization of the credit union;

15. to establish and support or aid in the establishment and support of or the subscription to, associations, institutions, funds or trusts for the benefit of employees or former employees of the credit union or its predecessors, or the dependants or connections of such employees or former employees, and grant pensions and allowances, and make payments towards insurance or for any object similar to those set forth in this paragraph, and to subscribe or guarantee money for charitable, benevolent, educational or religious objects or for any exhibition or for any public, general or useful objects;

16. to adopt means of making known the services of the credit union, and in particular by advertising, by purchase and exhibition of works of art or interest, by publication of books and periodicals or by granting prizes, rewards and making donations;

17. to deposit money in chartered banks, the Province of Ontario Savings Office, or loan companies and trust companies registered under *The Loan and Trust Corporations Act*; R.S.O. 1970, c. 254

18. to contract and sue and be sued in the corporate name;

19. to purchase group insurance for its members;

20. to perform any of the things authorized by this section as principal or agent and either alone or in conjunction with others;

21. to perform all such other things as are incidental or conducive to the attainment of the objects and the exercise of the powers of the credit union;

22. to have perpetual succession;

23. to carry on any other business capable of being conveniently carried on in connection with its business or likely to enhance the value of or make profitable any of its property or rights;

24. to acquire and hold shares in any other company having objects altogether or in part similar to those of the credit union or carrying on any business capable of being conducted so as to benefit the credit union;

25. to sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with the property of the credit union in the ordinary course of its business;

26. to provide safekeeping facilities and services for personal property;

27. to provide services for the collection and payment of moneys from and on behalf of its members;

28. to provide such programs and services for its members as in the opinion of the board of directors may assist the members to meet their financial or social needs;

29. subject to the approval of the Director, to accept custody of assets for specific purposes or under specific terms and conditions and to act as an agent

to carry out such purposes, such purposes to include, but not be restricted to, the custody of funds deposited under registered retirement savings plans and registered home ownership savings plans.

(3) Any of the powers set out in subsection 2 may be withheld or limited by the articles. Limitation of powers

(4) Every credit union may exercise its powers beyond the boundaries of Ontario to the extent to which the laws in force where the powers are sought to be exercised permit, and may accept extra-provincial powers and rights. Power to act outside Ontario

LEAGUES

12.—(1) Ten or more credit unions may be incorporated as a league or federation for the object and purpose of, Leagues

(*a*) protecting and advancing the credit unions that are members of the league;

(*b*) providing encouragement and assisting in programs and activities contributing to the growth and development of member credit unions;

(*c*) conducting training programs for the general improvement of managers, employees and members of the board of directors and committees of member credit unions;

(*d*) arranging for pension plans, group bonding and group insurance of all kinds for the officers, employees and members of credit unions and assisting in repayment of loans made by credit unions to their members;

(*e*) receiving moneys from their member credit unions or the Ontario Share Deposit Insurance Corporation, either as payment on shares or as deposits;

(*f*) making loans to credit unions that are members of the league;

(*g*) providing services to or for its member credit unions that, in the opinion of the directors of the league, are incidental or conducive to the sound operation or to the attaining of the purposes of its members.

(2) Any competent person authorized by a league may examine into the affairs of any credit union that is a member of the league and for such purpose he shall be given access Examination by league

to all books, records and other documents of the credit union and he may make whatever inquiries are necessary to ascertain its true condition and its ability to provide for the payment of its liabilities as they become due, and the officers and employees of the credit union shall facilitate him in his examination and inquiry.

Act to apply to leagues

(3) The provisions of this Act applicable to credit unions apply *mutatis mutandis* to leagues and their incorporation except where inconsistent with this section, but the Lieutenant Governor in Council may by regulation declare that any provision of this Act does not apply to leagues.

Ancillary powers

(4) Every league has power as incidental and ancillary to its objects,

(*a*) to apply to and enter into any agreement with the Canada Deposit Insurance Corporation, the Ontario Share and Deposit Insurance Corporation, the Government of Canada, the Government of Ontario, a chartered bank or other corporation or person, to obtain loans or other financial assistance;

(*b*) to act as agent or subagent for primary or secondary distribution of bonds, debentures or other evidences of indebtedness of or guaranteed by the Government of Canada or any province or municipal corporation in Canada and for that purpose trade in such bonds, debentures or other evidences of indebtedness to the extent necessary;

(*c*) to become a member of, buy shares in, deposit money with or borrow money from any other league or any co-operative credit society or association as defined in the *Co-operative Credit Associations Act* (Canada) or any other like institution incorporated under the laws of Canada or any province;

R.S.C. 1970, c. C-29

(*d*) when authorized by the Director, to establish, arrange for and maintain trust funds for the benefit of the member credit unions;

(*e*) to invest in the fully paid shares of,

(i) any corporation registered under *The Loan and Trust Corporations Act*, or

R.S.O. 1970, c. 254

(ii) with the approval of the Superintendent, any company incorporated to carry on any other business reasonably ancillary to the business of a credit union or a league,

provided that if such investment exceeds 30 per cent of the voting common shares of a corporation, the league shall own at least 51 per cent of the voting common shares of the corporation;

(*f*) to provide such other services as may be authorized by the regulations.

(5) A league may accept and exercise all rights, powers, privileges and immunities conferred on it by the *Co-operative Credit Associations Act* (Canada). Application of R.S.C. 1970, c. C-29

(6) Any credit union that is a member of a league may withdraw from membership if authorized by resolution passed by a majority of the votes cast at a general meeting duly called for the purpose. Withdrawal

CONTRACTS

13.—(1) No act of a credit union and no transfer of real or personal property to or by a credit union, otherwise lawful, that is heretofore or hereafter done or made, is invalid by reason of the fact that the credit union was without capacity or power to do such act or make or receive such transfer, but such lack of capacity or power may be asserted, Acting outside powers

(*a*) in a proceeding against the credit union by a member under subsection 2;

(*b*) in a proceeding by the credit union, whether acting directly or through a receiver, liquidator, trustee or other legal representative or through members in a representative capacity, against a director or officer or former director or officer of the credit union; or

(*c*) as cause for the cancellation of the certificate of incorporation of the credit union.

(2) A member of a credit union may apply to the court for an order to restrain the credit union from doing any act or transferring or receiving the transfer of real or personal property on the ground that the credit union lacks capacity or power for the purpose, and the court may, if it considers it to be just and equitable, grant an order prohibiting the credit union from doing the act or transferring or receiving the transfer of the real or personal property, but, where the act or transfer sought to be restrained or prohibited is being or to be done or made under a contract to which the credit union is a party, Restraining order

(*a*) all the parties to the contract shall be parties to the proceeding;

(*b*) the court in granting the order may set aside the contract and allow the credit union or other parties to the contract, as the case may be, such compensation as may be equitable for the loss or damage sustained by any of them from the granting of the order and setting aside of the contract, other than anticipated profits from the contract.

Contracts in writing under seal

14.—(1) A contract that if entered into by an individual person would by law be required to be in writing and under seal may be entered into on behalf of a credit union in writing under the seal of the credit union.

Contracts in writing under seal

(2) A contract that if entered into by an individual person would by law be required to be in writing signed by the parties to be charged therewith may be entered into on behalf of a credit union in writing signed by any person acting under its express authority.

Parol contracts

(3) A contract that if entered into by an individual person would by law be valid although made by parol only and not reduced into writing may be entered into by parol on behalf of a credit union by any person acting under its express authority.

Prior consent of Director

15. A credit union shall not acquire, purchase or lease real estate for its own use where the cost of such real estate or building or of the lease over its duration is in an amount equal to more than 8 per cent of the total share capital and deposits of a credit union without the prior written consent of the Director.

BY-LAWS

Extent of by-laws

16.—(1) The directors may pass by-laws not contrary to this Act or to the articles to regulate,

(*a*) the fees, terms and conditions of admission to, and withdrawal, suspension and expulsion from, membership in the credit union;

(*b*) the allotment and recording of shares, the maximum number that may be alloted to any member, the payment for shares and the withdrawal or transfer of shares;

(*c*) the terms, conditions and limitations under which deposits may be made with or withdrawn from the credit union;

(*d*) the terms, conditions and limitations for loans made by the credit union and the interest thereon;

(*e*) the time and place of and the notice and the record date for the determination of members entitled to vote to be given for the holding of meetings of members and of the board of directors, the quorum of meetings of members and the procedure and language to be used in all matters relative to the operation of the credit union;

(*f*) the time for and manner of election of directors, and the remuneration of directors;

(*g*) the appointment, remuneration, functions, duties and removal of officers and employees of the credit union and the security, if any, to be given by them to it;

(*h*) the purposes for which the profits of the credit union may be appropriated or distributed by way of rebate of interest on loans, by dividends or otherwise;

(*i*) where the credit union is a member of a league, a yearly assessment of its members to be paid to the league to assist in its financing;

(*j*) the conduct in all other particulars of the affairs of the credit union.

Membership in league

(2) Subject to clause *i* of subsection 1, a credit union may become a member of a league by resolution passed by a majority of the votes cast at a general meeting duly called for the purpose.

Remuneration of directors

17.—(1) A by-law relating to the remuneration of directors may provide that the board of directors by resolution shall fix the remuneration and period for which it is to be paid.

Delegation to board

(2) A by-law may provide that the board of directors may by resolution exercise the powers referred to in clause *c*, *d*, *g* or *h* of subsection 1 of section 16.

Passing of by-laws

18.—(1) No by-law is effective until it is,

(*a*) passed by the board of directors of a credit union;

(*b*) confirmed, with or without variation, by at least two-thirds of the votes cast at a general meeting of the members of the credit union duly called for that purpose, or such greater proportion of the votes cast as the articles provide; and

(*c*) approved by the Director in the manner prescribed in this section.

Submission to Director

(2) Upon the confirmation of a by-law under clause *b* of subsection 1, the board of directors shall forward to the Director two copies thereof signed by two officers or one officer and one director.

Approval by Director

(3) The Director shall signify his approval by certifying the approval on one copy of the by-law with the date of the approval and returning it to the credit union.

Amendments upon approval

(4) Any amendment required by the Director as a condition of his approval may be made by the board of directors unless the amendment alters the intent of the by-law.

Copies of by-laws

19. A copy of the by-laws of a credit union shall be delivered by the credit union to a member on demand on payment of a fee fixed by the by-laws, which shall not exceed the amount prescribed therefor by the regulations.

CAPITAL

Capital

20.—(1) The capital of a credit union shall be divided into shares with par value and the amount thereof shall be determined by the by-laws of the credit union, but the par value of each share shall in no case exceed $10.

Capital, how increased and diminished

(2) The subscribed capital of a credit union may, subject to the by-laws, be increased by payment for shares by members, and may be diminished by withdrawal of such payments by members.

Fully paid shares only

(3) No share in a credit union shall be allotted until it is fully paid for and a share is not fully paid until payment in cash therefor has been received by the credit union.

No commission on shares

(4) No commission, discount, allowance, or other compensation shall be paid or allowed by a credit union in consideration of the subscription for or sale of any of its shares.

Shares are personal property

(5) The shares of a credit union are personal property.

Additional shares

(6) The payment on account of shares by a member and the receipt thereof by a credit union shall be deemed to be an allotment of such shares to the members.

Member's liability for shares

(7) A member is not liable to the credit union for shares subscribed for in excess of the amount actually paid thereon.

(8) Where the board of directors determines that the credit union has suffered an impairment of capital, the board may by resolution fix the proportion of money invested in shares that may be withdrawn, and so long as any impairment of capital exists, may from time to time change the proportion that may be withdrawn. Where capital impaired

(9) No member of a credit union shall withdraw any portion of the money invested in shares in excess of the proportion specified in the resolution under subsection 8, or set off against any debts owing by him to the credit union a greater proportion of the money invested in shares than is specified in the resolution. Idem

(10) No resolution passed under subsection 8 applies to money invested in shares after the date of the resolution. Idem

BORROWING

21.—(1) Subject to the qualifications, limitations and restrictions in this Act, the board of directors of a credit union, when authorized by by-law, may, Borrowing by-law

(*a*) borrow money by way of loan, exclusive of money received on deposit, at such rates of interest and upon such terms as the board of directors may from time to time determine in an amount, exclusive of money on deposit, not exceeding 25 per cent of the paid-in capital, deposits and surplus of the credit union, but when specifically authorized by by-law, the total amount borrowed, exclusive of money received on deposit, may be an amount not exceeding 50 per cent of the total of the paid-in capital, deposits and surplus of the credit union;

(*b*) subject to clause *a*, charge, mortgage, hypothecate or pledge all or any currently owned or subsequently acquired real or personal, movable or immovable property of the credit union, including book debts, rights, powers and franchises and undertaking, to secure any debt obligation or any money borrowed, or other debt or liability of the credit union.

(2) Clause *a* of subsection 1 does not apply to a league. Leagues excepted

22.—(1) A credit union shall not borrow by the issue of a debenture. Not to issue debentures

(2) Subsection 1 does not apply to a league. Leagues excepted

23. The Director may from time to time inquire into the borrowing of a credit union and may limit the authority of the board of directors of a credit union to further borrow by giving notice of the limitation by registered mail to the Limitation by the director

board setting forth his reasons for limiting the borrowing powers and a credit union shall not exercise its borrowing powers in excess of any limitation imposed by the Director.

REGISTERS

Register of members

24.—(1) Every credit union shall keep a register of members and shares.

Certificate as evidence

(2) A statement as to,

(*a*) the names and addresses of the members and the number of shares held by each member;

(*b*) the date on which the name of any person was entered in the register as a member; or

(*c*) the date on which any person ceased to be a member,

purporting to be certified by the secretary is, without proof of the office or signature of the secretary, receivable in evidence as *prima facie* proof of the facts stated therein for all purposes in any action, proceeding or prosecution.

Documents to be kept

(3) Every credit union shall keep or cause to be kept the following documents and registers in either English or French only,

(*a*) a copy of its articles;

(*b*) the by-laws and resolutions, including special resolutions, of the credit union;

(*c*) a register of the members of the board of directors, credit committee and supervisory committee, and all officers of the credit union, setting out their names, residence addresses, giving the street and number, if any, and occupations, with the several dates on which they have become or ceased to be a member of such board or committee;

(*d*) a register of all securities held by the credit union;

(*e*) books of account and accounting records with respect to all financial and other transactions of the credit union as may be required by the Director;

(*f*) the minutes of all proceedings at meetings of members, directors and any committees.

MEMBERS

Membership

25. Subject to the provisions of this Act and its articles, membership in a credit union is governed by its by-laws.

26.—(1) Each incorporator of a credit union who has subscribed for a share in the credit union becomes a member upon the effective date of incorporation and shall be entered upon the register of members. Incorporators deemed members

(2) A subscription for shares in a credit union constitutes an application for membership and the allotment of a share to the applicant constitutes admission to membership. Subscription deemed application

(3) Subject to subsection 1, no person shall become a member of a credit union until his application for membership has been approved by the board of directors or an officer authorized by the board and the applicant has complied fully with the by-laws governing admission of members. Applicants for membership

27.—(1) Subject to subsection 2, the by-laws of every credit union shall provide that the membership of the credit union shall be limited to persons or related persons having a common bond of occupation or association or to persons or related persons residing or working within a municipality, neighbourhood or other reasonably well-defined community. Membership limitation

(2) A credit union may apply to the Director for the repeal from its by-laws of the provisions referred to in subsection 1 and the Director, if he is satisfied that the credit union has a sufficient membership, capital and money on deposit and is being operated in a satisfactory manner, may approve the repealing by-law and permit its filing on such terms as the Director sees fit. Removal of limitation

(3) The Director shall not approve a by-law of a credit union under subsection 2 unless the credit union proposes to have a full-time management and a self-contained place of business and would be, in his opinion, capable of providing a satisfactory service to its members. Director's approval

28. Every person whose name is registered in the register of members is entitled to, Register of members

(*a*) a passbook or other record specifying the amount paid upon shares, deposits and loans by him; and

(*b*) such other information as may be prescribed by the by-laws of the credit union,

and the passbook or other record is admissible in evidence as *prima facie* proof of membership and of the information entered therein.

Voting

29.—(1) A member of a credit union has only one vote.

Proxies permitted

(2) No member of a credit union shall vote by proxy except when such member is a corporation, an unincorporated association or a municipality as defined in *The Municipal Affairs Act*.

R.S.O. 1970, c. 118

Liability of members

30. A member is not responsible for any act, default or liability of the credit union, or for any engagement, claim, payment, loss, injury, transaction, matter or thing relating to or connected with the credit union beyond the amount paid on his share or shares.

Not bound by trust

31. A credit union is not bound to see to the execution of any trust, whether express, implied or constructive to which any share or deposit is subject.

Shares in trust

32. A member, in addition to holding shares in his own name, may subscribe for and hold shares and make deposits in trust for a named beneficiary, and such beneficiary without payment of any entrance fee shall be deemed to be a member of the credit union only for the purpose of qualifying for life insurance under a group policy of insurance purchased by the credit union on the lives of its members and is not entitled to notice of meetings or to vote at meetings.

Joint accounts

33. Two or more members may hold their shares and deposits in a joint account and, in the absence of written notice to the contrary, payment by the credit union to any of such members or to the survivor or any of the survivors of such members of any money standing to the credit of the joint share or deposit account discharges the credit union from any further liability for such payment.

Ages of members

34.—(1) A person under the age of eighteen years may be a member of a credit union, and every such member may enjoy all the rights of a member and execute all instruments and give all acquittances necessary to be executed or given but is not entitled to vote unless permitted to do so by the by-laws.

Right to borrow

(2) Subject to the by-laws, a member under the age of eighteen years does not have the right to borrow any amount in excess of his deposits in the credit union except upon a joint and several promissory note signed by him and by a person eighteen years of age or over.

Deposits

(3) A member under the age of eighteen years may deposit money with a credit union in his own name, and the money so deposited may be repaid to him, and he

may give a valid discharge therefor, notwithstanding his minority.

Corporate and partnership members R.S.O. 1970, cc. 118, 340

35. A corporation including a municipality as defined in *The Municipal Affairs Act*, an unincorporated association or a partnership registered under *The Partnerships Registration Act* may become a member of a credit union on such terms and conditions as are prescribed by the regulations.

Transmission of shares

36.—(1) Subject to section 37 and *The Succession Duty Act*, where a transmission of a share in a credit union takes place by virtue of any testamentary act or instrument, or in consequence of an intestacy, if the probate of the will or letters of administration or document testamentary, or other judicial or official instrument under which the title, whether beneficial or as trustee, or the administration or control of the personal estate of the deceased is claimed to vest, purports to be granted by any court or authority in any country, the probate of will or letters of administration or document testamentary or other judicial or official instrument or an authenticated copy thereof, or an official extract therefrom, may, together with a declaration in writing showing the nature of the transmission and signed and executed by the person claiming by virtue thereof, be produced and deposited with the secretary or officer named by the board of directors of the credit union for the purpose of receiving it.

Proof

(2) The production and deposit specified in subsection 1 shall be sufficient authority to the board of directors to pay the amount or value of any obligation on shares, in pursuance of, and in conformity with the letters probate, letters of administration, or other instrument.

Payment of moneys re deceased member

37.—(1) Where a member of a credit union dies, the credit union may pay,

(*a*) an amount not exceeding an amount prescribed by the regulations out of the amount on deposit in the name of the deceased or for the shares of the deceased; and

(*b*) an amount not exceeding an amount prescribed by the regulations out of any money that is received by the credit union under any policy of insurance on the life of the deceased,

to any person who the board is satisfied, by statutory declaration attested to not sooner than thirty days after the death, is entitled.

Effect of payment

(2) A payment made under subsection 1 discharges any obligation of the credit union or its board of directors in

respect of the money paid but does not affect the right of any other person claiming to be entitled to recover such money from the person to whom it was paid.

Deposits or shares in trust

(3) Where a member of a credit union dies holding shares or money on deposit in his name in trust for a named beneficiary, the credit union may pay the amount of such shares or deposit and any interest thereon to the executor or administrator of the estate of the deceased member, subject to the trusts or, where there is no executor or administrator, to the beneficiary or, where the beneficiary is a minor, to his parent or guardian.

Lien for debt

38. A credit union has a lien on the shares and deposits of a member for any debt due to it by him, and may set off any sum standing to the credit of such member on the books of the credit union in or towards the payment of such debt.

Unclaimed credits

39. Where moneys are held by a credit union for the credit of one of its members by reason of a deposit made or shares held by such member and the credit union is unable after reasonable efforts to locate the person entitled to such moneys, the credit union may pay such moneys to the Treasurer of Ontario and the Treasurer of Ontario may pay such moneys to the person entitled thereto upon satisfactory proof being furnished that he is the person entitled to receive such moneys.

Withdrawal of members

40.—(1) A member of a credit union may withdraw from a credit union at any time by giving notice thereof in accordance with the by-laws.

Idem

(2) A deceased member shall be deemed to have given notice to the credit union of his intention to withdraw on the day of his death.

Payment to withdrawing member

(3) All amounts paid to the credit union on shares and deposits by a withdrawing member shall, after deducting all amounts due from the member to the credit union, be paid to such member within ninety days of his giving notice of his intention to withdraw.

Idem

(4) A withdrawing member is entitled to receive any dividend, interest or rebate of loan interest paid or payable to other members of the credit union as at the date of his withdrawal on the same conditions that the board of directors have made applicable to all members of the credit union.

Notice of withdrawal

(5) Subject to subsection 3, a member who has given

notice of withdrawal, or is expelled from a credit union, has no further rights in the credit union, but he is not, by the withdrawal or expulsion, released from any remaining liability to the credit union.

Extension of time

(6) Where, in the opinion of the board of directors of the credit union, the payments in accordance with subsections 3 and 4 would not be in the best interests of the credit union, the board may by resolution suspend such payments for a period of one year or for such greater period and on such terms and conditions as the Director may approve.

Expulsion of members

41.—(1) Subject to subsection 2, a member may be expelled from membership in a credit union for misconduct in the affairs of the credit union or for failure to abide by the conditions of membership set out in the by-laws by a resolution passed by a majority of the members at a meeting duly called for that purpose.

Notice of misconduct

(2) A resolution under subsection 1 is not valid unless,

(*a*) a charge constituting grounds for expulsion has been made against the member by another member by filing with the board of directors full particulars in writing of such misconduct signed by him;

(*b*) the member charged has been furnished with a copy of the particulars at least four weeks previous to the meeting at which the resolution is to be considered; and

(*c*) an opportunity is given to the member charged to appear either personally or by counsel or his agent to make submissions at the meeting of the members called to consider the resolution expelling him.

Notice of meeting

(3) The notice calling the meeting of members shall state that the charge has been made and specify the names of the members concerned.

Refund to expelled member

(4) A member who is expelled is entitled to a refund of the amount paid on his shares and his deposits with the credit union as well as any dividends, interest or rebate of loan interest paid or payable to other members of the credit union as of the date of his expulsion on the same conditions that the board of directors have made applicable to all members of the credit union.

Representative action

42.—(1) Subject to subsection 2, a member of a credit union may maintain an action in a court of competent

jurisdiction in a representative capacity for himself and all other members of the credit union suing for and on behalf of the credit union to enforce any right, duty or obligation owed to the credit union under this Act or under any other statute or rule of law or equity that could be enforced by the credit union itself, or to obtain damages for any breach of any such right, duty or obligation.

Court order required

(2) An action under subsection 1 shall not be commenced until the member has obtained an order of the court permitting the member to commence the action.

Notice

(3) A member may, upon at least seven days notice to the credit union, apply to the court for an order referred to in subsection 2, and, if the court is satisfied that,

(*a*) the member was a member of the credit union at the time of the transaction or other event giving rise to the cause of action;

(*b*) the member has made reasonable efforts to cause the credit union to commence or prosecute diligently the action on its own behalf; and

(*c*) the member is acting in good faith and it is *prima facie* in the interests of the credit union or its members that the action be commenced,

the court may make the order upon such terms as the court thinks fit.

Costs

(4) At any time or from time to time while an action commenced under this section is pending, the plaintiff may apply to the court for an order for the payment to the plaintiff by the credit union of reasonable interim costs, including solicitor's and counsel fees and disbursements, for which interim costs the plaintiff shall be accountable to the credit union if the action is dismissed on final disposition at the trial or on appeal.

Action not to be discontinued, etc., without court approval

(5) An action commenced under this section shall not be discontinued, settled or dismissed for want of prosecution without the approval of the court and, if the court determines that the interests of the member or any class thereof may be substantially affected by such discontinuance, settlement or dismissal, the court, in its discretion, may direct that notice in manner, form and content satisfactory to the court shall be given, at the expense of the credit union or any other party to the action as the court directs, to the members or class thereof whose interests the court determines will be so affected.

DIRECTORS

First directors

43.—(1) Each of the persons named as first directors in the articles of a credit union is a director of the credit union until replaced by a person duly elected or appointed in his stead.

Idem

(2) The first directors of a credit union have all the powers and duties and are subject to all the liabilities of directors.

Election

44.—(1) Every credit union shall have a board of directors who shall be elected from its members in the manner provided in its by-laws and who shall hold office for such term as the by-laws provide and until their successors are elected.

Change in number

(2) A credit union may by by-law increase or decrease the number of its directors set out in the articles, subject to the minimum.

Voting

(3) A member entitled to vote at an election of directors, if he votes, shall cast thereat a number of votes equal to the number of directors to be elected, and the member shall distribute the votes among the candidates in such manner as he sees fit, but no candidate shall receive more than one vote from each member.

Directors to be members

45.—(1) No person shall be a director of a credit union unless he is a member thereof and of the full age of eighteen years, and, if he ceases to be a member, he thereupon ceases to be a director.

Qualifications

(2) No member shall be a director of a credit union unless he is a Canadian citizen, or is a person lawfully admitted to Canada for permanent residency who is ordinarily resident in Canada.

Conflict of interest

(3) No person shall be a director of a credit union who is a full-time employee of the credit union.

Duties of board

46.—(1) The board of directors shall manage or supervise the affairs and business of the credit union and perform such duties as prescribed by this Act, the regulations and the by-laws of the credit union.

Election in rotation

(2) The by-laws may provide for the election and retirement of directors in rotation, but in that case no director shall be elected for a term of more than three years.

Quorum

(3) A majority of the board of directors constitutes a quorum.

Continuance in office

(4) If an election of directors is not held within the prescribed period, the directors continue in office until their successors are elected.

Vacancies

(5) Where a vacancy occurs in the board and a quorum of directors remains, the directors remaining in office may appoint a qualified person to fill the vacancy until the next annual meeting of the credit union.

Where no quorum

(6) When there is not a quorum of directors in office, the director or directors then in office shall forthwith call a general meeting of the members to fill the vacancies, and, in default or if there are no directors then in office, the meeting may be called by any member.

Expulsion of directors

47.—(1) When a member of the board of directors fails to attend three consecutive meetings of the board without, in the opinion of the board, having a reasonable cause therefor or fails to perform any of the duties allotted to him as a director, his position on the board may be declared vacant by the remaining directors who may appoint a qualified person to fill the vacancy until the next annual meeting of the credit union.

Removal of directors

(2) The members may, by resolution passed by two-thirds of the votes cast at a general meeting duly called for the purpose, remove a director before the expiration of his term of office, and shall by vote cast at that meeting elect another director in his stead for the remainder of his term.

Notice

(3) The notice calling the meeting of the members referred to in subsection 2 shall specifically state that the purpose of the meeting is to remove the director who is named therein.

Right to make representations

(4) The director has the right at the meeting to make such representations to the members regarding the resolution for his removal as he thinks fit and may be represented by legal counsel or an agent.

CREDIT COMMITTEE

Credit committee

48.—(1) Subject to section 50, every credit union shall have a credit committee who shall be elected from its members in the manner prescribed by its by-laws and who shall hold office for such term as the by-laws provide and until their successors are elected.

Number of members

(2) The credit committee shall consist of the number of members fixed by the by-laws, which shall be not fewer than three.

Qualifications

(3) No person who is a member of the board of directors

or of the supervisory committee or who is an officer of the credit union shall be a member of the credit committee, except that the president may be a member of the credit committee if he is so authorized by by-law.

Age

(4) No member shall be a member of the credit committee unless he is of the full age of eighteen years.

Quorum

(5) A majority of the credit committee, not including the president, constitutes a quorum.

Voting at election

(6) A member entitled to vote at an election of members of the credit committee, if he votes, shall cast thereat a number of votes equal to the number of members of the credit committee to be elected, and the member shall distribute the votes among the candidates in such manner as he sees fit, but no candidate shall receive more than one vote from each member.

Vacancies

(7) Where a vacancy occurs in the credit committee, the board of directors may fill all vacancies until the next annual meeting of the credit union.

Election in rotation

(8) The by-laws of the credit union may provide for the election and retirement of members of the credit committee in rotation, but in that case no member of the credit committee shall be elected for a term of more than three years.

Duties

49.—(1) The credit committee shall consider all applications for loans and within the limits provided in the by-laws approve all loans to members of the credit union and perform such duties as are prescribed by this Act, the regulations and the by-laws of the credit union.

Removal of member

(2) When a member of the credit committee fails to attend three consecutive meetings without, in the opinion of the other members of the committee, having a reasonable cause therefor or fails to perform any of the duties allotted to him as a member of the committee, his position on the committee may be declared vacant by the other members of the committee who may then appoint a qualified person to fill the vacancy until the next annual meeting of the credit union.

Loan officer

50.—(1) The board of directors of a credit union may by by-law appoint one or more persons who are employees of the credit union, to act as a loan officer and perform all or such part of the duties of the credit committee as are specified by the by-law.

May supersede credit committee

(2) If the by-law provides that the person or persons so appointed shall perform all the duties of the credit committee, it shall also provide that as long as the by-law remains in force, it shall not be necessary to elect a credit committee as required by section 48 or that, as long as the by-law remains in force, the credit committee shall have only the powers of an advisory committee.

Officer to approve loan

51.—(1) The credit committee may, upon such terms and conditions as the board of directors may specify, authorize the treasurer, manager or other employee of the credit union to approve loans to a member.

Monthly report

(2) Any person authorized by the credit committee to approve loans under subsection 1 shall submit a written monthly report to the credit committee stating the number of loan applications received, the number of loans granted and the security, if any, obtained for such loans.

Duties of such persons appointed

(3) The responsibilities and duties of any person authorized to approve loans under subsection 1 is concurrent with the responsibilities and duties of the credit committee.

Credit committee reports

52. The credit committee shall hold meetings not more than three months apart, shall keep minutes of its meetings and shall,

(*a*) submit a written report to the board of directors stating the number of loan applications received, the number and category of loans granted, the security obtained for such loans together with a report on applications denied and a report on all loans that are delinquent; and

(*b*) submit a written annual report on such matters to the annual meeting of the credit union.

Removal of member

53.—(1) The members may, by resolution passed by two-thirds of the votes cast at a general meeting duly called for the purpose, remove a member of the credit committee before the expiration of his term of office, and shall by vote cast at that meeting elect another member in his stead for the remainder of his term.

(2) The notice calling the meeting of members referred to in subsection 1 shall specifically state that the purpose of the meeting is to remove the member of the credit committee who is named therein. Notice

(3) The member of the credit committee has the right to make such representations at the meeting regarding the resolution for his removal as he thinks fit, and may be represented by legal counsel or an agent. Right to make representations

SUPERVISORY COMMITTEE

54.—(1) Subject to section 58, every credit union shall have a supervisory committee who shall be elected from its members in the manner prescribed in its by-laws and shall hold office for such term as the by-laws provide and until their successors are elected. Supervisory committee

(2) The supervisory committee shall consist of the number of members fixed by the by-laws, which shall be not fewer than three. Composition

(3) No person who is a member of the board of directors or credit committee or who is an officer of the credit union shall be a member of the supervisory committee. Qualifications

(4) No member shall be a member of the supervisory committee unless he is of the age of eighteen years. Age

(5) A majority of the supervisory committee constitutes a quorum. Quorum

(6) A member entitled to vote at an election of members of the supervisory committee, if he votes, shall cast thereat a number of votes equal to the number of members of the supervisory committee to be elected, and the member shall distribute the votes among the candidates in such manner as he sees fit, but no candidate shall receive more than one vote from each member. Voting at election

(7) Where a vacancy occurs in the supervisory committee, the board of directors may fill all vacancies until the next annual meeting of the credit union. Vacancies

(8) The by-laws of the credit union may provide for the election and retirement of members of the supervisory committee in rotation, but in that case no member shall be elected for a term of more than three years. Election in rotation

55.—(1) The supervisory committee shall examine the books of the credit union, confirm the cash instruments, property and securities of the credit union and confirm the deposits of the members and perform such other duties as Duties

are prescribed by this Act, the regulations and the by-laws of the credit union.

Idem

(2) When a member of the supervisory committee fails to attend three consecutive meetings of the committee without, in the opinion of the supervisory committee, having a reasonable cause therefor, or fails to perform any of the duties allotted to him as a member of the committee, his position on the committee may be declared vacant by the remaining members of the committee who may appoint a qualified person to fill the vacancy until the next annual meeting of the credit union.

Clerks

(3) The supervisory committee may appoint such persons as it considers necessary to assist it in performing its duties, but the remuneration to be paid to such persons is subject to the approval of the board of directors.

Duty when misappropriation, etc.

56.—(1) When the supervisory committee is of the opinion that the funds, securities or other property of the credit union have been misappropriated or misdirected, or in the event that the by-laws of the credit union, this Act or the regulations have been contravened by the board of directors, the credit committee or a member thereof or an officer or employee engaged by the board of directors, the supervisory committee shall forthwith advise the Director and the Ontario Share and Deposit Insurance Corporation in writing.

Audit

(2) The supervisory committee shall appoint an auditor or auditors or a league to assist it in determining whether any of the funds, securities or other property of the credit union have been misappropriated or misdirected and the remuneration of any auditor or league so appointed shall be paid by the credit union and determined by the supervisory committee.

Suspension

(3) In the event of a misappropriation or misdirection or a suspected misappropriation or misdirection as referred to in subsection 1, the supervisory committee may suspend any member of the board of directors or credit committee or any officer or employee without the holding of a general meeting and may appoint another person to perform the duties of the person so suspended, until a new member is duly elected or a new officer or employee appointed.

Meeting of members

(4) The supervisory committee shall forthwith give notice of a general meeting of the members to be held within fourteen days after the suspension under subsection 3.

(5) The supervisory committee shall report to the general meeting all the circumstances of any misappropriation or misdirection of funds, securities or other property and the reasons for any suspension, and the members of the credit union may, by resolution, dismiss from office any person so suspended, and, when the members of the credit union do not so vote to dismiss from office any person so suspended, that person shall be reinstated forthwith. Idem

57.—(1) The supervisory committee shall not meet less frequently than every three months, and, where no auditor has been appointed, shall meet at least every month, and shall at each such meeting examine the affairs of the credit union. Meetings

(2) The supervisory committee shall keep minutes of its meetings and shall, Report of minutes

(*a*) within seven days of each meeting report the results thereof in writing to the board of directors; and

(*b*) submit a written report to the annual meeting of the members of the credit union.

58.—(1) A credit union may, by by-law, provide for the appointment of an auditor or auditors in addition to or substitution for the supervisory committee and may delegate to such auditor or auditors such part of the duties of the supervisory committee as the by-law provides. Auditors

(2) The board of directors of the credit union may fix the remuneration of the auditor or auditors. Remuneration of auditors

(3) Where a credit union has passed a by-law under subsection 1 appointing an auditor or auditors to perform the duties of the supervisory committee, the by-law may further delegate the remaining powers and duties of the supervisory committee to the board of directors and so long as such by-law remains in force no supervisory committee shall be elected as required by section 54. Delegation of powers to board of directors

59.—(1) The members may, by resolution passed by two-thirds of the votes cast at a general meeting duly called for the purpose, remove a member of the supervisory committee before the expiration of his term of office, and shall by vote cast at that meeting elect another member in his stead for the remainder of his term. Removal of members

(2) The notice calling the meeting of members referred to in subsection 1 shall state that the purpose of the meeting Notice

is to remove the member of the supervisory committee who is named therein.

Right to make representations

(3) The member of the supervisory committee has the right to make such representations to the members regarding the resolution for his removal as he thinks fit, and may be represented by legal counsel or an agent.

OFFICERS

Officers

60.—(1) A credit union shall have a president and secretary and such other officers as are provided for by by-law.

Idem

(2) The board of directors shall elect the president from among themselves.

Remuneration of officers

(3) All payments to officers of a credit union for services rendered shall be approved by its board of directors.

Idem

(4) No officer or employee shall be paid or compensated on any basis that would relate such payment or compensation to the profits of the credit union or to an increase in the assets of the credit union.

Bond on certain officers and employees

61.—(1) Every officer or employee engaged by the board of directors of a credit union who receives or has charge of money shall, before assuming the duties of his office, furnish a bond for the due accounting of moneys received by him and the faithful performance of his duties with such sureties and in such form and amount as the board of directors may determine.

Minimum amount of bond

(2) The Lieutenant Governor in Council may make regulations prescribing the minimum amount of any bond to be provided under subsection 1.

AUDITORS AND FINANCIAL STATEMENTS

Appointment of auditors

62.—(1) The members of a credit union having combined paid-in capital and deposits of more than $500,000 and a credit union permitted to operate with negotiable orders shall,

(*a*) at their first general meeting appoint one or more auditors to hold office until the close of the first annual meeting and, if the members fail to do so, the board of directors shall forthwith make such appointment or appointments; and

(*b*) at each annual meeting appoint one or more auditors to hold office until the close of the next annual meeting and, if an appointment is not so made, the auditor in office continues in office until a successor is appointed.

Idem

(2) The members of any other credit union may appoint an auditor.

Casual vacancy

(3) The board of directors may fill any casual vacancy in the office of auditor, but, while such vacancy continues, the surviving or continuing auditor, if any, may act.

Removal of auditors

(4) The members may, by resolution passed by a majority of the votes cast at a general meeting duly called for the purpose, remove an auditor before the expiration of his term of office, and shall by a majority of the votes cast at that meeting appoint another auditor in his stead for the remainder of his term.

Notice to auditor

(5) Before calling a general meeting for the purpose specified in subsection 4, the credit union shall, fifteen days or more before the mailing of the notice of the meeting, give to the auditor,

(*a*) written notice of the intention to call the meeting, specifying therein the date on which the notice of the meeting is proposed to be mailed; and

(*b*) a copy of all material proposed to be sent to members in connection with the meeting.

Right to make representations

(6) The auditor has the right to make to the credit union three days or more before the mailing of the notice of the meeting, representations in writing concerning his proposed removal as auditor, and the credit union, at its expense, shall forward with the notice of the meeting a copy of such representations to each member entitled to receive notice of the meeting.

Appointment by the director

(7) If for any reason no auditor is appointed, under subsection 1, the Director may require that the board of directors appoint one or more auditors to hold office until the close of the next annual meeting and the board shall establish the remuneration to be paid by the credit union for his or their services.

Notice of appointment

(8) The credit union shall give notice in writing to an auditor of his appointment forthwith after the appointment is made.

Notice of intention

(9) A person, other than an incumbent auditor, may not be appointed auditor at an annual meeting unless notice of an intention to nominate that person to the office of auditor has been given by a member to the credit union not less than fifteen days before the mailing of the notice of the meeting at which the auditor is to be appointed, and, where such notice is given, the credit union shall send a copy of the notice to the incumbent auditor and to the person whom it is intended to nominate and shall give notice thereof to the members of the credit union.

Right to make representations

(10) The incumbent auditor has the right to make to the credit union, three days or more before the mailing of the notice of the meeting representations in writing concerning the proposal not to reappoint him as auditor, and the credit union, at its expense, shall forward with the notice of the meeting, a copy of such representations to each member entitled to receive notice of the meeting.

Persons disqualified as auditors

63.—(1) No person shall be appointed or act as the auditor of a credit union who is a director, officer, or employee of the credit union, or a member of the credit committee or supervisory committee thereof, or who is a partner, employer or employee of any such director, member, officer or employee, or who is a related person to any director or officer of the credit union or to a member of the credit committee or supervisory committee thereof.

Auditors not to be appointed receivers

(2) No person shall be appointed a receiver or a receiver and manager or liquidator of any credit union of which he or any partner or employer of or a related person to him is the auditor or has been the auditor within the two years preceding his appointment as receiver and manager or liquidator.

Trustee in bankruptcy not to be auditor
R.S.C. 1970, c. B-3

(3) No person who is appointed a trustee of the estate of a credit union under the *Bankruptcy Act* (Canada) or any partner or employer of or a related person to him shall be appointed or act as auditor of the credit union.

Annual audit

64.—(1) The auditor shall make such examination as will enable him to report to the members of the credit union as required by subsection 2.

Auditor's report

(2) The auditor shall make a report to the members of the credit union on the financial statement to be placed before the members at its annual meeting in accordance with section 71, and shall state in his report whether in his opinion the financial statement referred to therein presents fairly the financial position of the credit union and the results of its operations for the period under review in

accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding period, if any.

Auditor's statement

(3) The auditor shall also report that his examination was made in accordance with generally accepted auditing standards and that accordingly it included such tests and other procedures as he considered necessary in the circumstances.

Qualified report

(4) When the report under subsection 2 does not contain the unqualified opinion required thereby, the auditor shall state in his report the reasons therefor.

Facts discovered after statement

(5) Where facts come to the attention of the officers or board of directors which, if known prior to the date of the last annual meeting of members, would have required a material adjustment to the financial statement presented to such meeting, the officers or board shall communicate such facts to the auditor who reported to the members under this section and the board shall forthwith amend the financial statement and send it to the auditor.

Amendment of auditor's report

(6) On the receipt of facts furnished under subsection 5 or from any other source, the auditor shall, if in his opinion it is necessary, amend his report in respect of the financial statement in accordance with subsection 4 and the board of directors or, if they fail to do so within a reasonable time, the auditor shall mail the amended report to the members.

Right of access

(7) The auditor of a credit union has right of access at all times to all records, documents, accounts and vouchers of the credit union and is entitled to require from the board of directors, officers, employees and members of the credit committee or the supervisory committee of the credit union such information and explanation as in his opinion are necessary to enable him to report as required by subsection 2.

Right to attend meetings

(8) The auditor of a credit union is entitled to attend any meeting of members of the credit union and to receive all notices and other communications relating to any such meeting that a member is entitled to receive, and to be heard at any such meeting that he attends on any part of the business of the meeting that concerns him as auditor.

Member's right to require auditor's attendance

(9) Any member of a credit union who is entitled to vote at meetings of members, may, by notice in writing to the credit union given five days or more before any meeting of

members, require the attendance of the auditor at such meeting at the credit union's expense, and in such event the auditor shall attend the meeting.

Auditor to answer inquiries

(10) At any meeting of members, the auditor, if present, shall answer inquiries directed to him concerning the basis upon which he formed the opinion stated in the report made under subsection 2.

OFFICERS—GENERAL

Standards of care

65. Every director, officer, member of a supervisory committee and member of a credit committee of a credit union shall exercise the powers and discharge the duties of his office honestly, in good faith and in the best interests of the credit union, and in connection therewith shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Validity of acts of officers and directors

66. An act done by a director, member of the supervisory committee, member of the credit committee or officer of a credit union is not invalid by reason only of any defect that is thereafter discovered in his appointment, election or qualification.

Liability

67. The liability imposed by this Act upon a director, member of the credit committee, member of the supervisory committee, officer of a credit union or any person authorized to approve loans under section 51 is in addition to any other liability that is by law imposed upon him.

Indemnity

68.—(1) Subject to subsection 2, the by-laws of the credit union may provide that every director, credit committee member, supervisory committee member or officer may from time to time be indemnified and saved harmless by the credit union from and against,

(*a*) any liability and all costs, charges and expenses that he sustains or incurs in respect of any action, suit or proceeding that is proposed or commenced against him or in respect of anything done or permitted by him in respect of the execution of the duties of his office; and

(*b*) all other costs, charges and expenses that he sustains or incurs in respect of the affairs of the credit union.

Idem

(2) The credit union shall not indemnify any person under subsection 1 in respect of any liability, costs, charges or expenses that he sustains or incurs in or about any action,

suit or other proceeding as a result of which he is adjudged to be in breach of any duty or responsibility imposed upon him by this Act or any other statute unless, in an action brought against him in his capacity of director, credit committee member, supervisory committee member or officer, he has achieved complete or substantial success as a defendant.

Insurance

(3) A credit union may purchase and maintain insurance for the benefit of a director, credit committee member, supervisory committee member or officer thereof, except insurance against a liability, cost, charge or expense incurred as a result of a contravention of section 65.

Disclosure of interest in contracts

69.—(1) Every director, officer, credit committee member or supervisory committee member of a credit union who has, directly or indirectly, any interest in any contract or transaction to which the credit union is or is to be a party, including services rendered in a professional or business capacity, other than a contract limited solely to his remuneration for holding office, or who is, directly or indirectly, the beneficiary of any consideration or benefit as a result of any such contract or transaction to which the credit union is or is to be a party, shall declare his interest in such contract or transaction and the amount of any consideration or benefit of which he is the direct or indirect beneficiary at a meeting of the board of directors, credit committee or supervisory committee, as the case may be, and shall at that time disclose the nature and extent of such interest, to the extent to which such information is within his knowledge or control, and shall not vote and shall not in respect of such contract or transactions be counted in the quorum.

Time for disclosure

(2) The disclosure required by subsection 1 shall be made at the earliest possible meeting after the director, credit committee member or supervisory committee member becomes aware of the potential conflict of interest.

Effect of declaration

(3) If a director, officer, credit committee member or supervisory committee member has made a declaration and disclosure of his interest in a contract or a transaction in compliance with this section and has not voted in respect of the contract or transaction at the meeting at which it was considered and was acting honestly and in good faith at the time the contract or transaction was entered into, he is not by reason only of his holding office accountable to the credit union or to its members for any profit or gain realized from the contract or transaction, and the contract or transaction, if it was in the best interest of the credit union, is not voidable by reason only of his interest therein.

Confirmation by members

(4) Notwithstanding anything in this section, a director, officer, credit committee member or supervisory committee member, if he was acting honestly and in good faith, is not accountable to the credit union or to its members for any profit or gain realized from such contract or transaction by reason only of his holding office, and the contract or transaction, if it was in the best interest of the credit union at the time it was entered into is not by reason only of his interest therein voidable,

(*a*) if the contract or transaction is confirmed or approved by at least two-thirds of the votes cast at a general meeting of the members duly called for that purpose; and

(*b*) if the nature and extent of the interest in the contract or transaction are declared and disclosed in reasonable detail in the notice calling the meeting.

MEETINGS

Notice of meetings

70.—(1) Notice of the time and place for holding a meeting of the members of a credit union shall be given in accordance with the by-laws of the credit union, but in no event shall notice be given later than seven days before the date of the meeting or earlier than fifty days before the date of the meeting.

Idem

(2) Notice of any meeting at which directors are to be elected shall contain the information disclosed by a director under subsection 1 of section 69.

Idem

(3) Notice of a meeting shall be given to each member of a credit union who on the record date for notice appears on the records of the credit union as a member by,

(*a*) sending the notice by prepaid mail to his latest address as shown on the records of the credit union;

(*b*) delivering the notice to him at his place of employment; or

(*c*) publishing the notice in a newspaper which circulates in the community in which the head office of the credit union is located.

Chairman

(4) The president, or in his absence, a vice-president who is a director, shall preside as chairman at a meeting of members, but if there is no president or such a vice-president, or if at a meeting neither of them is present

within fifteen minutes after the time appointed for the holding of the meeting, the members present shall choose a person from among their number to be the chairman.

Annual meeting

71.—(1) The first and every successive meeting of a credit union shall be held at such time and place in Ontario as its by-laws provide, and, in default of provisions in that behalf, the annual meeting shall be held at its head office within 120 days of the year end of the credit union.

Business to be dealt with

(2) At such meeting, the board of directors shall place before the members,

(*a*) financial statements showing matters prescribed by the regulations relating separately to,

(i) the period that commenced on the date the credit union came into existence and ended not more than four months before the annual meeting or, if the credit union has completed a financial year, the period that began immediately after the end of the last completed financial year and ended not more than four months before the annual meeting, and

(ii) the period covered by the financial year next preceding such latest completed financial year, if any;

(*b*) the report of the supervisory committee, if any;

(*c*) the report of the auditor, if any; and

(*d*) such further information respecting the financial position of the credit union and the results of its operations as its by-laws require.

Report of supervisory committee

(3) The report of the supervisory committee, if any, to the members shall be read at the annual meeting and shall be open to inspection at the meeting by any member.

Report of auditor

(4) The report of the auditor, if any, to the members shall be read at the annual meeting and shall be open to inspection at the meeting by any member.

Approval of financial statement

(5) The board of directors of the credit union shall approve the financial statements referred to in clause *a* of subsection 2 and the approval shall be evidenced by the signature at the foot of the balance sheet of two duly authorized directors.

Distribution of financial statement

(6) The notice of the annual meeting of members shall be accompanied by a copy of the financial statements referred to in clause *a* of subsection 2 and a copy of the auditor's report, if any, or shall specify that copies of the above will be available at the meeting and copies of the above shall also be filed with the Director at least seven days before the date of the meeting.

General meetings

72. The board of directors may at any time call a general meeting of the members for the transaction of any business, the general nature of which is specified in the notice calling the meeting.

Requisition for members' meeting

73.—(1) 5 per cent of the members of a credit union may requisition the board of directors to call a general meeting of the members for any purpose that is connected with the affairs of the credit union and that is not inconsistent with this Act.

Requisition

(2) The requisition shall state the general nature of the business to be presented at the meeting and shall be signed by the requisitionists and deposited at the head office of the credit union and may consist of several documents in like form, each signed by one or more requisitionists.

Duty of directors to call meeting

(3) Upon deposit of the requisition, the board of directors shall forthwith call a general meeting of the members for the transaction of the business stated in the requisition.

When requisitionists may call meeting

(4) If the board of directors do not within twenty-one days from the date of the deposit of the requisition call the meeting, any of the requisitionists may call the meeting, which shall be held within sixty days from the date of the deposit of the requisition.

Calling of meeting

(5) A meeting called under this section shall be called as nearly as possible in the same manner as meetings of members are called under the by-laws, but, if the by-laws provide for more than twenty-one days notice of meetings, twenty-one days notice is sufficient for the calling of the meeting.

Repayment of expenses

(6) The credit union shall,

(*a*) reimburse all or any of the requisitionists for any reasonable expenses incurred by them by reason of the action taken by them under subsection 4; and

(*b*) retain out of any moneys due or to become due, by way of fees or other remuneration for their services, to such of the board of directors as were in default, an amount equal to the amount the requisitionists

were reimbursed, unless, at the meeting, the members by a majority of the votes cast reject the reimbursement of the requisitionists.

Annual statement to be given to members

74. Every credit union shall without charge supply to every member upon application therefor or as provided by its by-laws, a copy of its last comparative financial statement.

Inspection of books

75.—(1) Except as provided in this Act, no member or other person has any right to inspect the books of a credit union.

Idem

(2) Any member or other person having an interest in the funds of a credit union may inspect his own account and the books containing the names of the members at all reasonable hours at its head office or at whatever other place they are kept, subject to such conditions as to time and manner of inspection as the by-laws may prescribe.

As to loan or deposit accounts of members

(3) A credit union may by by-law authorize the inspection of any of its books therein mentioned, in addition to the books containing the names of members, under such conditions as are thereby prescribed, and no person, unless he is an officer of the credit union or is specifically authorized by a resolution thereof, has the right to inspect the loan or deposit account of any other member without such other member's written consent.

Branch meetings

76.—(1) A credit union may establish a branch or branches subject to such terms and conditions as are prescribed by the regulations and the branch may, by by-law, provide for the holding of meetings of the members who belong thereto.

Delegates

(2) Where a by-law under subsection 1 is in force, the members of a branch shall elect delegates, by special resolution, to represent the members at the annual or general meeting of the credit union, and the delegates so elected shall exercise the powers of the members of the branch at all meetings of the credit union and the members represented by such delegates are not entitled to vote at the meeting of the credit union.

Number and votes

(3) The number of delegates and votes allowed each branch at the meeting of the credit union shall be specified by the by-laws of the credit union, as well as the time, place and manner of calling a branch meeting, the number of members of the branch that constitute a quorum and the procedure to be followed in the conduct of the branch meeting.

Majority

(4) The required majority vote for deciding each issue to be voted on at the branch meeting shall be the same as that required for deciding such issues at meetings of the entire membership of the credit union as specified in this Act, the regulations and the by-laws of the credit union.

DIVIDENDS

Dividends

77. Subject to the by-laws, the board of directors may declare, and the credit union may pay, a dividend on the amounts paid in on shares held by members at any time during the fiscal year and may, at their discretion, declare rebates of interest paid by members in respect of loans during that fiscal year.

When dividend not to be declared

78.—(1) The board of directors shall not declare and the credit union shall not pay any dividend when the credit union is insolvent, or any dividend the payment of which renders the credit union insolvent or that diminishes its capital.

Directors' joint and several liability

(2) The directors who vote in favour of or consent to the resolution authorizing the declaration of a dividend are jointly and severally liable to the credit union to the extent of the amount of the dividend so declared and paid or such part thereof as renders the credit union insolvent or diminishes its capital.

Exoneration

(3) If any director present at the meeting at which such dividend is declared, forthwith, or if any director then absent, within twenty-four hours after he becomes aware of the dividend and is able to do so, delivers or sends to the credit union by registered mail his protest against the dividend, and within eight days thereafter, sends a copy thereof to the Director, the director thereby and not otherwise exonerates himself from liability.

INVESTMENTS

Investments

79.—(1) A credit union may lend or invest its funds in,

government securities

(*a*) the bonds, debentures, stocks or other evidences of indebtedness issued or guaranteed by the government of Canada, or of a province or territory of Canada;

municipal securities

(*b*) the bonds, debentures or other evidences of indebtedness issued or guaranteed by a municipal corporation in Canada, or by a school or religious corporation in Canada, or secured by rates or taxes levied under the authority of the government of a province of Canada on property situate in such

province and collectable by the municipalities in which such property is situate;

(*c*) the bonds, debentures or other evidences of indebtedness issued by an authority or other body established and empowered pursuant to the law of Canada or any province thereof to administer, regulate the administration of, provide or operate port, harbour, airport, bridge, highway tunnel, transportation, communication, sanitation, water, electricity or gas services or facilities and, for any of these purposes, to levy, impose or fix taxes, rates, fees or other charges; revenue bonds

(*d*) the bonds, debentures or other evidences of indebtedness issued by a corporation that are fully secured by a mortgage, charge or hypothec to a trustee, or to the credit union upon any, or upon any combination, of the following assets, bonds, etc., secured by mortgage

(i) improved real estate or leasehold,

(ii) the plant or equipment of a corporation that is used in the transaction of its business, or

(iii) bonds, debentures or other evidences of indebtedness or shares, of a class authorized by this subsection, as investments, or cash balances, if such bonds, debentures or other evidences of indebtedness, shares or cash balances are held by a trustee,

and the inclusion, as additional security under the mortgage, charge or hypothec, of any other assets not of a class authorized by this Act as investments shall not render such bonds, debentures or other evidences of indebtedness ineligible as an investment;

(*e*) obligations or certificates issued by a trustee to finance the purchase of transportation equipment for a corporation incorporated in Canada to be used on railways or public highways, if the obligations or certificates are fully secured by, equipment trust certificates

(i) an assignment of the transportation equipment to, or the ownership thereof by, the trustee, and

(ii) a lease or conditional sale thereof by the trustee to the corporation;

debentures

(*f*) the bonds, debentures or other evidences of indebtedness issued or guaranteed by,

(i) a corporation if, at the date of investment, the preferred shares or the common shares of the corporation are authorized as investments by clause *h* or *i*,

(ii) a corporation, if its earnings in a period of five years ended less than one year before the date of investment have been equal in sum total to at least ten times and in each of any four of the five years have been equal to at least one and one-half times the annual interest requirements at the date of investment on all indebtedness of or guaranteed by it, other than indebtedness classified as a current liability in its balance sheet, and, if the corporation at the date of investment owns directly or indirectly more than 50 per cent of the common shares of another corporation, the earnings of the corporations during the said period of five years may be consolidated with due allowance for minority interests, if any, and in that event the interest requirements of the corporation shall be consolidated and such consolidated earnings and consolidated interest requirements shall be taken as the earnings and interest requirements of the corporation, and, for the purpose of this subclause, "earnings" means earnings available to meet interest charges on indebtedness other than indebtedness classified as a current liability;

guaranteed investment certificates

(*g*) guaranteed investment certificates issued by a trust company incorporated in Canada if, at the date of investment, the preferred shares or the common shares of the trust company are authorized as investments by clause *h* or *i*;

preferred shares

(*h*) the preferred shares of a corporation if,

(i) the corporation has paid a dividend in each of the five years immediately preceding the date of investment at least equal to the specified annual rate upon all of its preferred shares, or

(ii) the common shares of the corporation are, at the date of investment, authorized as investments by clause *i*;

(*i*) the fully paid common shares of a corporation that during a period of five years that ended less than one year before the date of investment has either, common shares

(i) paid a dividend in each such year upon its common shares, or

(ii) had earnings in each such year available for the payment of a dividend upon its common shares,

of at least 4 per cent of the average value at which the shares were carried in the capital stock account of the corporation during the year in which the dividend was paid or in which the corporation had earnings available for the payment of dividends, as the case may be;

(*j*) ground rents, mortgages, charges or hypothecs on real estate or leaseholds in Ontario, but the amount paid for the mortgage, charge or hypothec together with the amount of indebtedness under any mortgage, charge or hypothec on the real estate or leasehold ranking equally with or prior to the mortgage, charge or hypothec in which the investment is made shall not exceed three-quarters of the value of the real estate or leasehold covered thereby; Mortgages, etc.

(*k*) mortgages or charges on improved real estate or leaseholds in Ontario notwithstanding that the mortgage or charge exceeds the amount that the credit union is otherwise authorized to invest if the excess is insured or guaranteed by the government of Canada or Ontario or by an agency of the government of Canada or Ontario or by a policy of mortgage insurance issued by an insurance company licensed under *The Insurance Act* for such class of insurance; guaranteed mortgages R.S.O. 1970, c. 224

(*l*) real estate or leaseholds for the production of income in Canada either alone or jointly with any other credit union or with any loan corporation or trust company incorporated in Canada, if, real estate or leaseholds for the production of income

(i) a lease of the real estate or leasehold is made to, or guaranteed by,

(A) the Government of Canada and its territories or of a province, or municipality thereof, or

(B) a corporation, the preferred shares or common shares of which are, at the

date of investment, authorized as investments by clause *h* or *i*,

(ii) the lease provides for a net revenue sufficient to yield a reasonable interest return during the period of the lease and to repay at least 85 per cent of the amount invested in the real estate or leasehold within the period of the lease but not exceeding thirty years from the date of investment, and

(iii) the total investment of a credit union in any one parcel of real estate or in any one leasehold does not exceed 2 per cent of the book value of the total assets of the credit union,

and the credit union may hold, maintain, improve, lease, sell or otherwise deal with or dispose of the real estate or leasehold;

other real estate or leaseholds for the production of income

(*m*) real estate or leaseholds for the production of income in Canada either alone or jointly with any other credit union or with any loan corporation or trust company incorporated in Canada, if,

(i) the real estate or leasehold has produced, in each of the three years immediately preceding the date of investment, net revenue in an amount that, if continued in future years, would be sufficient to yield a reasonable interest return on the amount invested in the real estate or leasehold and to repay at least 85 per cent of that amount within the remaining economic lifetime of the improvements to the real estate or leasehold but not exceeding forty years from the date of investment, and

(ii) the total investment of a credit union in any one parcel of real estate or in any one leasehold does not exceed 2 per cent of the book value of the total assets of the credit union,

and the credit union may hold, maintain, improve, lease, sell or otherwise deal with or dispose of the real estate or dispose of the real estate or leasehold;

mutual funds

(*n*) in the fully paid shares or units of any mutual fund or corporation incorporated to offer public participation in an investment portfolio subject to such terms and conditions as may be prescribed by the Lieutenant Governor in Council.

(2) Notwithstanding clauses *k*, *l* and *m* of subsection 1, a credit union may invest to an aggregate amount not exceeding 5 per cent of its unimpaired capital, deposits and reserves, in any other classes or types of investments, including mortgages or charges, the purchase of land, the improvement thereof, the construction of buildings thereon, and the management and disposal of such lands and buildings. Idem

80. The following restrictions, limitations and prohibitions apply to credit unions in the exercise of their investment policies under this Act, Investment restrictions

(*a*) a credit union shall not invest any of its funds in bonds, debentures or other evidences of indebtedness on which the payment of principal or interest is in default;

(*b*) a credit union shall not act as an underwriter in connection with the purchase or sale of any securities or other property of any kind;

(*c*) except as to securities issued or guaranteed by the Government of Canada or the government of a province of Canada, a credit union shall not invest in any one security or make a total investment in any one corporation that is not a credit union or a league, either by the purchase of shares or other securities of such corporation or by lending to it on the security of its debentures or other assets or any part thereof, of more than 10 per cent of the book value of the total assets of the credit union;

(*d*) a credit union shall not make any investment the effect of which will be that it will hold more than 30 per cent of the common shares or 30 per cent of the total issued shares of any one corporation;

(*e*) the total book value of the investments of a credit union in common shares shall not exceed 5 per cent of the book value of the total assets of the credit union;

(*f*) the total book value of the investments of a credit union in real estate or leaseholds for the production of income shall not exceed 10 per cent of the book value of the total assets of the credit union;

(*g*) a credit union shall not make any investment in or loan to another credit union an amount in excess of 1 per cent of its unimpaired capital, deposits and surplus without the written approval of the Director; and

(*h*) a credit union shall not invest in the shares of a corporation that is a member of the credit union.

Loans and deposits

81.—(1) Subject to paragraphs 3 and 4 of subsection 2 of section 11, no credit union shall advance money by discount, loan or otherwise to, or accept deposits from, persons other than its members.

Limitation on interest

(2) Interest, together with all the costs of borrowing including bonuses, premiums and penalties shall not exceed such amount as is prescribed by the regulations.

Loans to officers

(3) No credit union shall lend to an officer or member of a committee or of the board of directors of the credit union an amount in excess of the aggregate of fully paid up shares and deposits of such member unless such loan is approved by the credit committee, the board of directors, and the supervisory committee.

Limitations on loans to members

(4) No credit union shall lend to a member an amount that is in excess of 10 per cent of the aggregate of its capital, members' deposits and surplus, or such lesser percentage as may be prescribed in the by-laws of the credit union.

Limitations on loans to unincorporated members

(5) No credit union shall lend to a member who is an unincorporated association unless such loan is approved by the credit committee, the supervisory committee and the board of directors.

Loans to corporate and partnership members

82.—(1) A credit union may make loans to corporations and partnerships who are members of the credit union in an aggregate not exceeding the greater of,

(*a*) 7 per cent of the credit union's unimpaired capital, deposits and surplus; or

(*b*) such percentage as the Director may approve, not in excess of 15 per cent of the unimpaired capital deposits and surplus of the credit union;

and such loans must be fully secured in the manner provided by the regulations.

Loans to unincorporated members

(2) A credit union may make secured loans to unincorporated associations who are members in aggregate not exceeding 1 per cent of the credit union's unimpaired share capital.

Loans to individuals

(3) A credit union may make loans to members who are individuals on such terms as are provided for in the by-laws.

83. A credit union may make loans to its members by way of mortgage, charge or hypothecation on a term not exceeding five years, subject to renegotiation, and, Mortgage loans to members

(*a*) The maximum amount that may be loaned by way of mortgage, subject to any limitation in the by-laws of the credit union, shall not exceed,

(i) three-quarters of the value of the real estate to which the mortgage or charge relates unless the excess over three-quarters of the value of the real estate to which the mortgage or charge relates is insured or guaranteed by the government of Canada, or Ontario or by an agency thereof, or by a policy of mortgage insurance issued by an insurance company licensed under *The Insurance Act* for such class of insurance, R.S.O. 1970, c. 224

(ii) in the case of a second mortgage, the balance owing on the first mortgage shall be taken into account in meeting the requirements referred to in subclause i; and

(*b*) the mortgage shall contain a definitive provision for repayment which will result in the principal and interest being fully repaid within twenty-five years or such longer period of time as the regulations may prescribe,

but if the credit union becomes an approved lender for the purpose of making loans under the *National Housing Act*, the provisions of that Act apply to mortgage loans undertaken by the credit union under that Act. R.S.C. 1970, c. N-10

84. A credit union may make guaranteed loans under and in accordance with the provisions of the *Canada Student Loans Act* (Canada), the *Farm Improvement Loans Act* (Canada) or the *Fisheries Improvement Loans Act* (Canada) and such other Act as may be designated by the regulations. Student loans R.S.C. 1970, cc. S-17, F-3, F-22

85.—(1) The credit committee may approve an extension of credit for a member by way of contract loans and advances may be made to such member from time to time within the limits of the approved extension of credit. Loans and advances

(2) The credit committee shall review all extensions of credit and an extension of credit expires if the member becomes more than ninety days in default of any repayment. Review

Contract loans

(3) An extension of credit by way of contract loan is a loan within the meaning of this Act.

Directors, etc., not to guarantee loans

86. No director, member of a credit committee, member of a supervisory committee or credit union officer or employee shall cosign, endorse, or act as a guarantor for any borrower from the credit union unless such loan was made to a related person and approved in the manner provided in section 81.

Postponement or renegotiation of loans

87. The credit committee of a credit union may in its discretion,

(*a*) upon receipt of a written request from a borrower or his cosigner, postpone the due date for the repayment of any one or more instalments of the principal of the loan or any part of an instalment or postpone the due date for the payment of any one or more payments of interest on the loan or any part of a payment, or both, and fix due dates accordingly;

(*b*) upon being satisfied that a loan is reasonably secure, authorize the release or substitution of any security or securities, in whole or in part, taken to secure a loan from the credit union to a member; and

(*c*) renegotiate a loan from the credit union to a member upon new terms in the event the circumstances of the borrower have changed.

Disposal of authorized investments

88.—(1) The Director may order a credit union to dispose of and realize any of its investments not made or held in accordance with this Act, the regulations or the by-laws and the credit union shall within sixty days after receiving the order absolutely dispose of and realize such investments, and, if the amount realized therefrom falls below the amount paid by the credit union for the investments, the board of directors of the credit union are jointly and severally liable for the payment to the credit union of any deficiency.

Exoneration

(2) If any director present at the meeting at which an investment to which subsection 1 applies is authorized, forthwith, or if any director then absent, within fourteen days after he becomes aware of the investment and is able to do so, delivers or sends to the credit union by registered mail his protest against the investment, and within thirty days thereafter, sends a copy thereof by registered mail to the Director, the director thereby and not otherwise exonerates himself from liability.

89.—(1) The Director may order a credit union to call any loan it has made not authorized by this Act, the regulations or the by-laws and the credit union shall within sixty days after receiving the direction call the loan, if possible, and, if within that time the full amount of the loan is not repaid, the members of the credit committee, the person or persons appointed under section 50 and the person or persons authorized under section 51 are jointly and severally liable for the payment to the credit union of any deficiency upon the maturity of the loan. Call of unauthorized loans

(2) If any member of the credit committee present at the meeting at which such loan is authorized, forthwith, or if any credit committee member then absent, within fourteen days after he becomes aware of the loan and is able to do so, delivers or sends to the credit union by registered mail his protest against the loan, and, within thirty days thereafter, sends a copy thereof by registered mail to the Director, the credit committee member thereby and not otherwise exonerates himself from liability. Exoneration

90. A credit union may accept money on deposit at a specified rate of interest for a term not longer than five years. Term deposits

91.—(1) Where the combined share capital and the deposits of a credit union exceed $100,000 and it has appointed an auditor in accordance with this Act and it has an accounting system satisfactory to the Director and its board of directors has so authorized, it may, so long only as the Director approves in writing, permit its members to use negotiable orders for the withdrawal of moneys on deposit. Negotiable orders

(2) The Director may at any time revoke any approval given under subsection 1. Revocation of approval

(3) No officer or employee of a credit union shall permit any withdrawal of moneys from the deposit or share account of a member unless the amount in such deposit or share account is equal to or in excess of the amount sought to be withdrawn, and any officer or employee who contravenes this subsection is guilty of an offence under this Act. Withdrawal of money

(4) Nothing in this section curtails, abridges, defeats or otherwise affects any remedy for the recovery from a member Remedies not affected

of any amount withdrawn in excess of the amount standing to his credit in his deposit or share account.

Reserve for deposits

92.—(1) Each credit union shall at all times maintain to an aggregate of at least 10 per cent of the amount of deposits, shares and borrowings of the credit union,

(*a*) cash, including deposits with a chartered bank in Canada, a loan or trust company registered under *The Loan and Trust Corporations Act*, the Province of Ontario Savings Office or a league, providing that such deposits are callable within ninety days;

R.S.O. 1970, c. 254

(*b*) unencumbered bonds, debentures or other obligations of or guaranteed by the Government of Canada or by the government of any province or shares of a league, valued at market value;

(*c*) in the case of a credit union that is in regular receipt of deductions made from the payroll of any of its members, an amount equal to any such deductions which have been made and are in the course of being remitted; and

(*d*) the asset referred to in subsection 7 of section 111 valued in accordance with that subsection.

Idem

(2) Where the Director has given approval to a credit union under subsection 1 of section 91, the credit union shall maintain in the manner specified in subsection 1 an additional reserve equal to 10 per cent of the aggregate amount on deposit with the credit union that is withdrawable by negotiable order.

Idem

(3) Of the amount required to be maintained under subsection 1, at least 10 per cent shall be maintained in cash as provided in clause *a* of subsection 1.

Loans where reserves deficient

(4) No credit union shall make any loan or investment other than an investment authorized by clause *b* of subsection 1 until it has satisfied the requirements of subsection 1.

Regulations re reserves

93. The Lieutenant Governor in Council may make regulations prescribing further percentages of the reserves or classes of deposits or investments required to be maintained under section 92.

94.—(1) Every credit union in computing its annual net income or loss shall make full provision for, Provision for losses and accrued interest

(*a*) all doubtful loans, other doubtful receivables, and losses on investments; and

(*b*) all interest accruing on deposits.

(2) A credit union may by special resolution establish a reserve and may transfer to the reserve from undivided earnings or transfer from the reserve to undivided earnings such amounts as the board of directors may by resolution direct. Establishment of reserve

ONTARIO SHARE AND DEPOSIT INSURANCE CORPORATION

95. In sections 96 to 118, "Corporation" means the Ontario Share and Deposit Insurance Corporation. Interpretation

96.—(1) There is hereby established a corporation without share capital to be known in English as the Ontario Share and Deposit Insurance Corporation and in French as La Société Ontarienne D'Assurance des Actions et Depôts. Corporation established

(2) *The Corporations Act* does not apply to the Corporation. Application of R.S.O. 1970, c. 89

(3) The members of the Corporation shall be all credit unions incorporated in Ontario. Corporation members

97.—(1) The board of directors of the Corporation shall be appointed by the Lieutenant Governor in Council and shall consist of, Board of directors

(*a*) three persons nominated by a league that has more than fifty members and that is approved by the Lieutenant Governor in Council for the purpose of this section;

(*b*) one person nominated by a league that has fewer than fifty members and that is approved by the

Lieutenant Governor in Council for the purpose of this section; and

(*c*) three persons to represent the public and the credit unions who are not members of a league.

Chairman

(2) The board of directors shall elect or appoint from among themselves a chairman.

Functions

98.—(1) The affairs of the Corporation shall be administered by the board of directors.

Chairman to preside

(2) The chairman shall preside at all meetings of the Corporation but, where at any meeting the chairman is absent, one of the directors present thereat who is chosen so to act by the directors present shall preside and has and shall exercise the powers of the chairman.

Secretary and treasurer

(3) The board of directors may appoint a secretary and a treasurer.

Quorum

(4) A majority of the members of the board of directors constitutes a quorum.

Travelling expenses

(5) A member of the board of directors shall be paid by the Corporation out of its income all reasonable travelling and living expenses incurred by him while absent from his ordinary place of residence in the course of his duties as a director and, in addition, may be paid out of income as remuneration for his services and duties such daily or other amount as may be fixed by the board and reported to its members in its annual report.

Annual report

99.—(1) The Corporation shall within four months after the termination of each financial year transmit to its members, the Minister and the Superintendent, an annual report relating to its activities in that year including financial statements of the Corporation in the form required by section 71 and the auditor's report thereon, which shall be in accordance with sections 63 and 64.

Annual examination of the Superintendent

(2) The Superintendent shall be deemed to have an interest in the Corporation as representative of all persons who may be claimants against credit unions, and the board of directors, officers and employees of the Corporation shall from time to time furnish the Superintendent with such information and financial statements with respect to the

Corporation as the Superintendent may require, and the Superintendent shall make an annual examination and report to the Minister and the Minister shall then lay the annual report of the Corporation and report of the Superintendent before the Assembly if it is in session or, if not, at the next ensuing session.

Term of office

100. The members of the board of directors shall hold office for a term of three years commencing on the date on which they were appointed and thereafter until their successors are appointed and any casual vacancy occurring shall be filled in accordance with section 97 for the balance of the term of the director whose office became vacant.

Objects

101. The objects of the Corporation are,

(*a*) to accumulate, manage, invest, disburse and pay out a separate fund for each league and a further fund for all independent members, such funds to be accounted for separately and each fund receiving the revenues or assets and bearing all direct charges and an appropriate portion of such other charges as may be applicable to it;

(*b*) to provide, in its discretion, financial assistance, having regard to the liabilities and assets of each fund, for the purpose of assisting any credit union in the appropriate category in its continued operation or in the orderly liquidation of its operations;

(*c*) to provide, for the benefit of persons having shares or deposits with credit unions in Ontario deposit insurance against loss of part or all of such shares or deposits, by making payments to such persons to the extent and in the manner authorized by this Act.

Ancillary powers

102. The Corporation may do all things necessary or incidental to its objects and in particular, but without limiting the generality of the foregoing, the Corporation may, in furtherance of its objects,

(*a*) acquire assets from credit unions, make loans or advances to credit unions and take security therefor and guarantee loans to or deposits with credit unions;

(*b*) require the payment of levies by credit unions for the purpose of establishing and maintaining the assets of the corporation;

(*c*) assume the costs of winding up of credit unions;

(*d*) acquire assets of credit unions from a liquidator or receiver thereof;

(*e*) make an advance or grant for the purpose of paying lawful claims against credit unions in respect of any claims of their members for withdrawal of deposits or share capital and become subrogated as an unsecured creditor for the amount of such advance;

(*f*) borrow money on the credit of the Corporation or on bills of exchange or promissory notes drawn, made, accepted or endorsed by or on behalf of the Corporation and may pledge as security all or any part of the assets of the funds;

(*g*) make or cause to be made such inspections or examinations of credit unions as may be authorized under this Act;

(*h*) declare and pay dividends to its members; and

(*i*) do all such other things, not contrary to this Act, as may be necessary for the exercising of any of the powers of the Corporation.

Powers and duties of Corporation

103. The board of directors shall administer the affairs of the Corporation in all things and make, or cause to be made, for the Corporation any description of contract that the Corporation may by law enter into, and, subject to the approval of the Lieutenant Governor in Council, the Corporation may make by-laws for,

(*a*) the administration, management and control of the property and affairs of the Corporation;

(*b*) the functions, duties and remuneration of all officers, agents and employees of the Corporation;

(*c*) the appointment or disposition of any special committees from time to time created by the Corporation;

(*d*) the appointment of an auditor;

(*e*) determining the seal of the Corporation;

(*f*) the time and place for the holding of meetings of the board of directors and the procedure in all things at such meetings;

(*g*) prescribing standards of sound business and financial practices for credit unions;

(*h*) prescribing the manner in which a credit union may represent that it is a contributor to the Corporation;

(*i*) defining the expression "deposit" for the purpose of deposit insurance;

(*j*) authorizing and controlling the use by credit unions of marks, signs, advertisements or other devices indicating that deposits with credit unions are insured by the Corporation;

(*k*) the conduct in all other particulars of the affairs of the Corporation.

Powers of investigation

104. For the purposes of carrying out any investigation or inquiry authorized by this Act, the Corporation may appoint any person in writing to carry out the investigation or inquiry and the person so appointed shall be given free access to the books, records and documents of the credit union and has the powers of a commission under Part II of *The Public Inquiries Act, 1971*, which Part applies to the investigation or inquiry as if it were an inquiry under that Act.

1971, c. 49

Prohibition as to holding out insured

105.—(1) No person, other than a credit union who is a member of the Corporation, shall by any written or oral representations of any kind advertise or hold out any corporation, society or association as being insured or approved for deposit insurance by the Corporation and a person who contravenes this subsection is guilty of an offence.

Advertising

(2) No credit union shall advertise or hold out by any written or oral representation that it is insured by the Corporation otherwise than by such marks, signs, advertisements or other devices as are authorized by the by-laws of the Corporation and used in the manner and on the occasions prescribed by the by-laws and a credit union who contravenes this subsection is guilty of an offence.

Fiscal year

106. The fiscal year end of the Corporation ends on the 31st day of December in each year.

Investment of funds

107.—(1) The Corporation may, in its discretion, invest any funds not required in carrying out its objectives in the classes of securities in which a credit union may invest its

funds under section 79 and subject to the restrictions, limitations and prohibitions contained in section 80.

Idem

(2) Notwithstanding subsection 1, the Corporation shall at all times maintain more than 50 per cent of the book value of its total assets invested in,

(*a*) unencumbered debentures, bonds, stocks or other securities of or guaranteed by the Government of Canada or of or guaranteed by any province of Canada;

(*b*) the bonds, debentures or other evidences of indebtedness issued or guaranteed by a municipal corporation in Canada;

(*c*) guaranteed investment certificates issued by a trust company incorporated in Canada if, at the date of investment, the preferred or common shares of the trust company are authorized as investments under section 79;

(*d*) cash on hand or on deposit in a chartered bank or a loan or trust company registered under *The Loan and Trust Corporations Act* or a league, or the Canadian Co-operative Credit Society or other institution that is prescribed by regulation,

R.S.O. 1970, c. 254

except that not more than 20 per cent of the book value of its total assets shall at any one time be invested in any one of investments referred to in clauses *a*, *b* and *c*.

Duty to insure

108.—(1) The Corporation shall insure each deposit with a credit union, except so much of any one deposit as exceeds $20,000.

How payable

(2) Where the Corporation is obliged to make payment in respect of any deposit insured by deposit insurance, the Corporation, as soon as possible after the obligation arises, shall, in respect of such deposit, make payment to such person as appears entitled thereto by the records of the credit union with whom the deposit was made, by paying such person an amount in money equal to so much of his money as is insured by the Corporation.

Discharge of liability

(3) Payment under this section by the Corporation in respect of any deposit insured by deposit insurance discharges the Corporation from all liability in respect of that deposit and in no case is the Corporation under any obligation to see to the proper application in any way of the payment so made.

Subrogation

(4) Where the Corporation makes a payment under this section in respect of any deposit with a credit union, the Corporation is subrogated to the extent of the payment made to all the rights and interest of the depositor as against that credit union.

Insuring credit unions

109.—(1) No credit union that is carrying on business in Ontario shall accept deposits or moneys on account of shares after the coming into force of this section unless it is insured by the Corporation from and after that day in accordance with this Act and the by-laws of the Corporation.

Idem

(2) Where a credit union commences business in Ontario after the day on which this section comes into force, the deposits with the credit union shall be insured by the Corporation in accordance with this Act and the by-laws of the Corporation from and after the day the credit union commences business.

Certificate

(3) Where a credit union becomes insured with the Corporation, the Corporation shall issue to the credit union a certificate of deposit insurance in the form prescribed by the regulations.

Cancellation of deposit insurance

110.—(1) The deposit insurance of a credit union may be cancelled on not less than thirty days notice to the credit union by the Corporation when,

(*a*) the credit union is in breach of the standards of business and financial practices prescribed by the Corporation or any of conditions of a policy of deposit insurance issued to it;

(*b*) the credit union ceases to accept deposits or issue shares; or

(*c*) an order has been made under section 116 for the Corporation to take possession of the credit union.

Effect of cancellation

(2) When the deposit insurance of a credit union is cancelled by the Corporation, the deposits with the credit union on the day the cancellation takes effect, less any withdrawals from such deposits, continue to be insured for a period of two years or, in the case of a term deposit with a remaining term exceeding two years, to the maturity thereof.

Notification to depositors

(3) Where the deposit insurance of a credit union has been cancelled, the credit union shall notify its depositors of that fact and shall cease to accept deposits from the date of cancellation forward.

Public notice

(4) The Corporation may, in such manner as it considers expedient, give public notice of the cancellation of deposit insurance of a credit union if, in the opinion of the Corporation, the public interest requires that such notice be given.

Assessment from league

111.—(1) The Corporation shall assess and collect during its first year of operation from each league an amount equal to 1 per cent of the aggregate total share capital and deposits of each credit union that is a member of the league at the end of the fiscal year of the league immediately preceding the assessment and the league is entitled to recover an appropriate amount from each of its members.

Assessment from credit unions outside league

(2) The Corporation shall assess and collect during its first year of operation from every credit union that is not a member of a league an amount equal to 1 per cent of the total share capital and deposits of the credit union at the end of the fiscal year of the credit union immediately preceding the assessment.

Annual assessment

(3) The Corporation shall in each year thereafter assess and collect from, or refund to, each league and every credit union that is not a member of a league, in each year an amount equal to 1 per cent of the increase or decrease in the total share capital and deposits of the credit union.

Extra-ordinary assessment

(4) In addition to amounts collected under subsection 3, the Corporation may assess and collect from every credit union, directly or through a league, such further amount, based on the total amount of the shares and deposits of the credit union as at the end of the fiscal year immediately preceding the assessment, as the Corporation considers necessary to replace any advances or payments made by the Corporation in the exercise of its powers under this Act.

Idem

(5) For the purposes of the assessment referred to in subsection 4, the Corporation shall maintain separate funds for each league and a further fund to encompass the activities of all credit unions that do not belong to a league and each such assessment shall be fixed by the Corporation having regard to the financial position of each fund.

Assessment of debt

(6) All amounts assessed by the Corporation against a credit union or league for the purposes of this Act shall be deemed to be a debt owing to the Corporation and the amount thereof, together with any interest levied by the Corporation as an overdue charge is recoverable by action in any court of competent jurisdiction.

(7) A credit union shall charge any assessment levied under subsection 4 as an expense, but, notwithstanding subsection 6, a credit union may treat any other assessment levied under this section as an asset, the value whereof shall be adjusted from time to time in accordance with the financial position of the appropriate fund accumulated by the Corporation. Assessment to be treated as an expense

(8) Where in any year its earnings have exceeded its expenses, the Corporation may in its discretion declare a dividend to all credit unions participating in that fund of an amount not more than such excess. Dividends

(9) On the dissolution of a credit union, the Corporation shall repay to it an amount equal to its assessments paid under subsection 1, 2 or 3, adjusted in accordance with the financial position of the appropriate fund, and for this purpose the Corporation's evaluation of the financial position of the fund shall be conclusive. Replacement on dissolution

112. Notwithstanding anything in this Act, the Corporation may remit or defer the collection of any assessment made by the Corporation and upon such terms and conditions as it may direct. Repayments

113.—(1) The Corporation shall maintain an account for each fund to be known as the accumulated net earnings to which shall be credited all earnings including realized profits on the sale of securities and to which shall be charged all expenses including operating and administrative expenses, costs of examinations and inspections of credit unions, losses and specific provisions for losses and losses on sales of securities. Accumulated net earnings

(2) The accumulated net earnings for each fund shall be reported as a separate item in any statement of assets and liabilities of the Corporation and shown as an addition to or a deduction from each fund. Separate item in report

(3) Upon any credit union changing its status with respect to membership in any league, its contribution to the appropriate fund shall be transferred and the liabilities of the respective funds shall be adjusted accordingly, subject to the approval of the Superintendent after such audit of the credit union's affairs as seems necessary to the Superintendent. Adjustment of funds

114.—(1) For the purposes of the Corporation, the affairs of each credit union shall be examined by a person provided for under this section at least once in each year, and a copy Annual examination of credit unions

of such examination shall be forthwith transmitted by the examiner to the Corporation and the Director.

Idem

(2) The annual examination shall be made,

(*a*) where the credit union is a member of a league, by the league;

(*b*) where the credit union is not a member of a league, by the Director,

and the cost shall be borne by the Corporation, except that the Corporation may, in place of an examination made under clause *a* or *b*, accept the report of the annual examination of the auditor of the credit union.

Examination of leagues

(3) The Director shall make an annual examination of each league at the expense of the Corporation, and shall give a copy of his report to the Corporation.

Contents of examiner's report

115.—(1) The person examining the affairs of a credit union under section 114 shall include in the report whether or not, in his opinion, there has been any change in the circumstances of the credit union that might materially affect the financial position of the credit union and particularly, without limiting the generality of the foregoing, whether or not, in his opinion,

(*a*) the assessment return made by the Corporation and in which payment to the Corporation was based are correct;

(*b*) the operations of the credit union are being conducted in accordance with sound business and financial practices; and

(*c*) the credit union is in a satisfactory financial condition.

Idem

(2) Each report shall further state whether or not, in the opinion of the examiner under section 114, there has been any contravention of the provisions of this Act and shall be served on the credit union.

Order taking over management

116.—(1) Where the Corporation has received a report under sections 114 and 115, that the affairs of a credit union are not in a satisfactory financial condition, and has given the credit union an opportunity to be heard and after such further inquiry and investigation as the Corporation sees fit to make, the Corporation agrees with the report, the Corporation by order, shall itself or by some other person named in

the order, forthwith take possession of the property of such credit union and conduct its business and take such steps as in the Corporation's opinion may be taken toward the removal of the causes and conditions which have made such proceedings necessary, and for such purposes and without limiting the generality of the foregoing,

(*a*) the Corporation, or person named in the order, has all the powers of the board of directors of the credit union;

(*b*) the Corporation, or person named in the order, has power to exclude from the credit union its officers, directors, servants and agents from the property and business of the credit union; and

(*c*) the Corporation, or person named in the order, has power to carry on, manage and conduct the operations of the credit union and in the name of the credit union to preserve, maintain, realize, dispose of and add to the property of the credit union, to amalgamate with another credit union or to sell to another credit union all or part of its assets, subject to section 130 or 131 to receive the incomes and revenues of the credit union and to exercise all the powers of the credit union.

Idem, upon request

(2) Upon the request of a credit union, the Corporation may with respect to such credit union exercise the powers mentioned in subsection 1.

Termination of order

117. If at any time the Corporation considers that the affairs of the credit union have been placed in a satisfactory financial condition, the Corporation may return possession of the property of the credit union to it, and, upon such return, the order and the powers of the Corporation under which the Corporation took possession of the property of the credit union terminate.

Review of order

118.—(1) A credit union may apply to the Commercial Registration Appeal Tribunal for a review of any order of the Corporation under subsection 1 of section 116 within thirty days after the making of the order and the delivery of a copy thereof to an officer of the credit union.

Stay

(2) The order of the Corporation takes effect immediately, but the Tribunal may grant a stay until the review is disposed of.

Hearing

(3) The Tribunal shall fix a time and place for a hearing of the application and shall at least ten days before the day

fixed cause notice thereof to be served upon the applicant, the Corporation, the Director and any other person appearing to the Tribunal to have an interest in the application.

Parties

(4) Every person upon whom notice of the hearing is served and any other person added by the Tribunal are parties to the proceedings.

Powers of Tribunal

(5) The Tribunal shall hold the hearing and may by order direct the Corporation to take such action as the Tribunal considers proper or to refrain from taking any action specified in the order and thereupon the Corporation shall act accordingly.

Further decision

(6) Notwithstanding the order of the Tribunal, the Corporation has power to make any further reports and orders on new material or where there is a material change in the circumstances, and any such further order is subject to review under this section.

WINDING UP

Interpretation

119. In sections 120 to 128, "contributory" means a person who is liable to contribute to the property of a credit union in the event of the credit union being wound up under this Act.

Voluntary winding up

120.—(1) Where the members of a credit union by a special resolution require the credit union to be wound up, the credit union may be wound up voluntarily.

Appointment of liquidator

(2) At such meeting, the members shall appoint one or more persons, who may be directors, officers or employees of the credit union or a league, as liquidator of the estate and effects of the credit union for the purpose of winding up its affairs and distributing its property, and may at that or any subsequent general meeting fix his remuneration and the costs, charges and expenses of the winding up.

Publication of notice of winding up

(3) A credit union shall file a copy of the resolution requiring the voluntary winding up of the credit union with the Director within ten days after the resolution has been passed and shall publish a notice of the resolution in *The Ontario Gazette* within twenty days after the resolution has been passed and in a newspaper having a general circulation in the locality in which the head office of the credit union is situate.

Vacancy in office of liquidator

(4) Where in a voluntary winding up a vacancy occurs in the office of liquidator by death, resignation or other-

wise, the members by a majority of the votes cast at a general meeting called for that purpose may elect a liquidator to fill the vacancy.

Removal of liquidator

(5) The members of the credit union may by a majority of the votes cast at a general meeting called for that purpose remove a liquidator previously appointed and in such case shall appoint another liquidator in his stead.

Commencement of winding up

(6) A voluntary winding up commences at the time of the passing of the resolution requiring the winding up.

Credit union to cease undertaking

(7) Where a credit union is being wound up voluntarily, the credit union shall, from the date of the commencement of the winding up, cease to carry on its undertaking, except in so far as may be required for the beneficial winding up thereof, and notwithstanding that it may be otherwise provided by its charter or by-laws, its corporate existence and all its corporate powers continue until the affairs of the credit union are wound up.

No proceeding against credit union without leave

(8) After the commencement of a voluntary winding up, no action or other proceedings shall be commenced against the credit union and no attachment, sequestration, distress or execution shall be put in force against the estate or effects of the credit union except by leave of the court and subject to such terms as the court imposes.

Liquidator to take custody

(9) Upon his appointment, the liquidator shall take custody and control of all property, rights and privileges of the credit union or to which the credit union appears to be entitled and shall take all necessary steps to wind up the credit union.

Liquidator to file with Director

(10) Within sixty days after his appointment, the liquidator shall prepare a statement of the assets, debts and liabilities of the credit union and shall file the statement with the Director.

List of contributories and calls

(11) Upon a voluntary winding up, the liquidator,

(*a*) shall settle the list of contributories;

(*b*) may, before he has ascertained the sufficiency of the property of the credit union, call on all or any of the contributories for the time being settled on the list of contributories, to the extent of their liability, to pay any sum that he considers necessary to satisfy the liabilities of the credit union, and the costs, charges and expenses of winding up and for the

adjustment of the rights of the contributories among themselves;

(*c*) a list of contributories settled by the liquidator is admissible in evidence as *prima facie* proof of the liability of the persons named therein to be contributories.

Meetings of credit union during winding up

(12) The liquidator may, during the continuance of the voluntary winding up, call general meetings of the members of the credit union for the purpose of obtaining their approval by resolution or for any other purpose as he thinks fit.

Arrangements with creditors

(13) The liquidator, with the approval of a resolution of the members of the credit union passed in general meeting, may make such compromise or other arrangement as the liquidator thinks expedient with any creditor or person claiming to be a creditor or having or alleging that he has a claim, present or future, certain or contingent, liquidated or unliquidated, against the credit union or whereby the credit union may be rendered liable.

Power to compromise with debtors and contributors

(14) The liquidator may, with the approval of a resolution of the members of the credit union passed in general meeting, compromise all debts and liabilities capable of resulting in debts and all claims, whether present or future, certain or contingent, liquidated or unliquidated, subsisting or supposed to subsist between the credit union and any contributory, alleged contributory or other debtor or person who may be liable to the credit union and all questions in any way relating to or affecting the property of the credit union, or the winding up of the credit union upon the receipt of such sums payable at such times and generally upon such terms as are agreed, and the liquidator may take any security for the discharge of such debts or liabilities and give a complete discharge in respect thereof.

Account to be made by liquidator

(15) The liquidator shall make up an account showing the manner in which the winding up has been conducted and the property of the credit union disposed of, and thereupon shall call a general meeting of the members of the credit union for the purpose of having the account laid before them and hearing any explanation that may be given by the liquidator and with the approval of a majority of the votes within ten days after the holding of the meeting cast at the meeting, the liquidator shall send a notice to the Director stating that the meeting was held, the date thereof and requesting dissolution.

Director to recommend dissolution

(16) The Director, upon being satisfied that the affairs of the credit union have been duly liquidated, may in

writing recommend to the Minister that the credit union be dissolved.

Dissolution

(17) The Minister may by order declare the credit union to be dissolved on such date as the order fixes and shall cause notice of any such dissolution of the credit union to be given in *The Ontario Gazette* and to the Director.

Winding up by court order

121.—(1) A credit union may be wound up by order of the court,

(*a*) where the members by a majority of the votes cast at a general meeting called for that purpose, pass a resolution authorizing an application to be made to the court to wind up the credit union;

(*b*) where proceedings have been commenced to wind up the credit union voluntarily and it appears to the court that it is in the interest of contributories and creditors that the proceedings should be continued under the supervision of the court;

(*c*) where it is proved to the satisfaction of the court that the credit union, though it may be solvent, cannot by reason of its liabilities continue its business and that it is advisable to wind it up; or

(*d*) where in the opinion of the court it is just and equitable for some reason other than the bankruptcy or insolvency of the credit union that it should be wound up.

Who may apply

(2) A winding up order may be made upon the application of the credit union or a member or, where the credit union is being wound up voluntarily, upon the application of the Director, liquidator or contributory or of a creditor having a claim of $200 or more.

Notice to credit union

(3) Except where the application is made by the credit union, four days notice of the application shall be given to the credit union.

Notice to Director

(4) Except where the application is made by the Director, four days notice of the application shall be given to the Director.

Power of court

(5) The court may,

(*a*) make the order applied for;

(*b*) dismiss the application with or without costs;

(*c*) adjourn the hearing conditionally or unconditionally;

(*d*) make an interim or other order as it considers appropriate; or

(*e*) refer the proceedings for the winding up to an officer of the court for inquiry and report and may authorize the officer to exercise such powers of the court as are necessary for the reference.

Appointment of liquidator

(6) The court making the winding up order may appoint one or more persons as liquidator of the estate and effects of the credit union for the purpose of winding up its affairs and distributing its property.

Remuneration

(7) The court may at any time fix the remuneration of the liquidator and the costs, charges and expenses of the winding up.

Vacancy

(8) Where a liquidator who is appointed by the court dies or resigns or the office becomes vacant for any reason, the court may fill the vacancy.

Removal

(9) The court may by order, for cause, remove a liquidator appointed by it and appoint another liquidator in his stead.

Notice of appointment

(10) A liquidator appointed by the court shall forthwith give notice to the Director and the Minister of the court order respecting the winding up and shall publish the notice in *The Ontario Gazette*.

Commencement of winding up

(11) Where a winding-up order is made by the court without prior voluntary winding-up proceedings, the winding up shall be deemed to commence at the time of the service of the notice of the application upon the Director.

Proceedings in winding up after order

(12) Where a winding-up order has been made by the court, proceedings for the winding up of the credit union shall be taken in the same manner and with the like consequences as are provided for a voluntary winding up, except that,

(*a*) the list of contributories shall be settled by the court unless it has been settled by the liquidator before the winding-up order; and

(*b*) all proceedings in the winding up are subject to the order and direction of the court.

Review by court

(13) Where the list of contributories has been settled by the liquidator before the winding-up order, it is subject to review by the court.

Meeting of members may be ordered

(14) Where a winding-up order has been made by the court, the court may direct meetings of the members of the credit union to be called, held and conducted in such manner as the court thinks fit for the purpose of ascertaining their wishes, and may appoint a person to act as chairman of any such meeting and to report the results of it to the court.

Order for delivery of property

(15) Where a winding-up order has been made by the court, the court may require any contributory for the time being settled on the list of contributories, or any director, employee, trustee, receiver, banker, agent or officer of the credit union, to pay, deliver, convey, surrender or transfer forthwith, within such time as the court directs, to the liquidator any money, books, papers, registers and other records, estate or effects that are in his hands and to which the credit union is, *prima facie*, entitled.

Inspection of documents and records

(16) Where a winding-up order is made by the court, the court may make an order for the inspection of the books, papers, registers and other records of the credit union by its creditors and contributories, and any documents and records in the possession of the credit union may be inspected in conformity with the order.

Proceedings against credit union after order

(17) After the commencement of a winding up by order of the court,

(*a*) no action or other proceedings shall be commenced or continued against the credit union; and

(*b*) no attachment, sequestration, distress or execution shall be carried out against the estate or effects of the credit union,

except by leave of the court and subject to such terms as the court may impose.

Provision for discharge of liquidator and distribution by the court

(18) Where the realization and distribution of the property of a credit union being wound up under an order of the court has proceeded so far that in the opinion of the court it is expedient that the liquidator should be discharged and that the property of the credit union remaining in his hands

can be better realized and distributed by the court, the court may make an order discharging the liquidator and for payment, delivery and transfer into court, or to such officer or person as the court directs, of such property, and it shall be realized and distributed by or under the direction of the court among the persons entitled thereto in the same way as nearly as may be as if the distribution were being made by the liquidator and the court may make an order directing how the documents and records of the credit union and of the liquidator are to be disposed of, and may order that they be deposited in court or otherwise dealt with as the court considers appropriate.

Order for dissolution

(19) The court at any time after the affairs of the credit union have been fully wound up may, upon the application of the liquidator or any other person interested, make an order dissolving it, and it is dissolved on the date fixed in the order.

Notice to Director

(20) The person on whose application the order was made shall, within ten days after it was made, file with the Director a certified copy of the order and the Director shall cause notice of the dissolution to be made in *The Ontario Gazette*.

Dissolution by the Minister

122.—(1) The Director, after the credit union has been given an opportunity to be heard by the Director, may recommend to the Minister that an order be made dissolving a credit union if he is satisfied that,

(*a*) its incorporation was obtained by fraud or mistake;

(*b*) it exists for an illegal purpose;

(*c*) the number of its members is reduced to fewer than twenty;

(*d*) it is not carrying on business or is not in operation; or

(*e*) it has contravened any of the provisions of this Act or the regulations.

Notice to credit union

(2) Where the Director recommends to the Minister that an order be made dissolving a credit union, a copy of his recommendations and the reasons therefor shall be delivered to the credit union.

Submissions to Minister

(3) The credit union may, within fifteen days after receiving the copy of recommendations and reasons of the Director

under subsection 2, make written submissions to the Minister in respect thereof.

Order for dissolution

(4) After considering the recommendations of the Director and the submissions, if any, of the credit union, the Minister may, in his discretion, order that the credit union be dissolved and, if necessary, shall appoint a liquidator to carry out the dissolution.

Liquidation

(5) The liquidator shall proceed to wind up the credit union and subsections 7 to 17 of section 120 apply thereto, except that no approval of the members of the credit union is required thereunder.

Director to report

(6) The Director upon being satisfied that the affairs of the credit union have been duly liquidated shall so report to the Minister.

Order declaring dissolution

(7) The Minister may by order declare that the credit union has been dissolved on such date as the order fixes and shall cause notice of the dissolution to be given in *The Ontario Gazette*.

Liability of members to creditors

123.—(1) Notwithstanding the dissolution of a credit union, each of the members among whom its property has been distributed other than the refunds of deposits, remains liable to its creditors to the extent of the amount received by him upon the distribution, and an action in a court of competent jurisdiction to enforce such liability may be brought against him within two years from the date of the dissolution and not thereafter.

Action against one member as representing class

(2) Where there are numerous members, the court referred to in subsection 1 may permit an action to be brought against one or more members as representatives of the class and, if the plaintiff establishes his claim as creditor, may make an order of reference and add as parties in the referee's office all such members as are found, and the referee shall determine the amount that each should contribute towards the plaintiff's claim and may direct payment of the sums so determined.

Forfeiture of undisposed property

124. Subject to section 123, any real or personal property of a credit union that has not been disposed of at the date of its dissolution is forfeit to the Ontario Share and Deposit Insurance Corporation.

Responsibilities of liquidator

125. Upon a winding up of a credit union,

(*a*) the liquidator shall apply the property of the credit

union in satisfaction of all its debts, obligations and liabilities, and, subject thereto, shall distribute any remaining property rateably among the members according to their rights and interests in the credit union;

(*b*) in distributing the property of the credit union, debts due to the employees of the credit union for services performed due at the commencement of the winding up or within one month before, not exceeding three months wages and accumulated sickness benefits or vacation pay accrued for not more than twelve months, shall be paid in priority to the claims of the ordinary creditors, and such persons shall rank as ordinary creditors for any additional amount of their claims for wages;

(*c*) all the powers of the board of directors of a credit union being wound up cease upon the appointment of a liquidator except to the extent that the liquidator may permit the continuance of these powers for the purpose of assisting the winding up proceedings.

Distribution of property R.S.O. 1970, c. 470

126. Section 53 of *The Trustee Act* applies *mutatis mutandis* to liquidators.

Payment of costs and expenses

127. The costs, charges and expenses of the winding up including the remuneration of the liquidator are payable out of the property of the credit union in priority to all other claims.

Powers of liquidator

128.—(1) A liquidator may,

(*a*) bring or defend any action, suit or prosecution, or other legal proceedings, civil or criminal, in the name and on behalf of the credit union;

(*b*) carry on the business of the credit union so far as may be necessary for the beneficial winding up of the credit union;

(*c*) sell the real and personal property of the credit union by public auction or private sale;

(*d*) borrow money on behalf of the credit union as may be necessary for the winding up of the credit union;

(*e*) draw, accept, make and endorse any bill of exchange or promissory note in the name and on behalf of the credit union;

(*f*) raise upon the security of the property of the credit union such moneys as may be required;

(*g*) take out in his official name, letters of administration of the estate of any deceased contributory and in his official name, do any other act that may be necessary for obtaining payment of any money due from a contributory or from his estate that cannot conveniently be done in the name of the credit union;

(*h*) do and perform all acts and other things and execute under the corporate seal or otherwise all documents in the name and on behalf of the credit union as may be necessary for winding up the affairs of the credit union and distributing its property;

(*i*) engage the services of a solicitor to assist him in the performance of his duty;

(*j*) employ an agent to do any business that the liquidator is unable to do himself;

(*k*) claim and, where necessary, prove any claim against the estate of a contributory for any debt or liability to the credit union;

(*l*) receive dividends in the distribution of an estate of a contributory in respect of any debt or liability mentioned in clause *k*;

(*m*) compromise all calls, and liabilities to call, debts and liabilities capable of or resulting in debts, and all claims, whether present or future, certain or contingent, liquidated or unliquidated, subsisting or alleged as subsisting between the credit union and any other person;

(*n*) do and execute all such other things as are necessary for winding up the affairs of the credit union and distributing its property.

Bills of exchange deemed drawn in the course of business

(2) The execution, endorsement or making of all agreements, contracts, bills of exchange or other documents by a liquidator on behalf of a credit union has the same effect with respect to the rights and liabilities of the credit union as if the agreements, contracts or bills of exchange or other documents had been executed, endorsed or made by or on behalf of the credit union in the course of carrying on its business.

Where approval required

(3) The liquidator shall not exercise power granted under clause *a*, *d*, *f*, *m* or *n* of subsection 1,

(*a*) in the case of a voluntary winding up, unless he has obtained the approval in writing of the Director; or

(*b*) in the case of a winding up by order of the court, unless he has obtained the approval of the court.

Notice of liability of contributory

(4) The liability of a contributory is a debt accruing due from him at the time when his liability commenced, but payable at the time when calls are made for enforcing the liability.

Who liable in case of death

(5) Where a contributory dies before or after he is placed on the list of contributories, his personal representative, in administering the estate of the contributory, is liable to contribute to the property of the credit union in discharge of the liability of the deceased contributory and shall be a contributory accordingly.

Examination of persons as to estate

(6) The court may, at any time after the commencement of the winding up, summon to appear before the court or liquidator, any director, manager, employee or officer of the credit union, or any other person known or suspected to have in his possession any of the estate or effects of the credit union, or alleged to be indebted to the credit union, or any person whom the court thinks capable of giving information concerning the dealings, estate or effects of the credit union.

Damages against delinquent directors, etc.

(7) Where, in the course of the winding up of a credit union, it appears that a person who has taken part in the formation or promotion of the credit union or any past or present director, manager, officer, employee, liquidator or receiver of the credit union has misapplied or retained in his own hands, or become liable or accountable for money of the credit union, or has committed any misfeasance or breach of trust in relation to the credit union, the court may, on the application of a creditor, member, director, liquidator, or contributory, inquire into the conduct of that person and order him to restore the money so misapplied or retained, or for which he has become liable or accountable together with interest at such rate as the court considers just or to contribute such sum to the property of the credit union by way of compensation in respect of the misapplication, retention, misfeasance or breach of trust as the court considers just.

(8) Where a credit union has been wound up under this Act and is about to be dissolved, the books, registers and other records and papers of the credit union and of the liquidator may be disposed of in such manner as the Director may order, in the case of voluntary winding up, or as the court may order in the case of winding up under court order. Disposal of records

(9) The Lieutenant Governor in Council may make regulations respecting the procedure to be followed in a winding up, and, unless otherwise provided by this Act or by those regulations, the practice and procedure in a winding up under the *Winding-up Act* (Canada) apply. Regulations R.S.C. 1970, c. W-10

129. Where proceedings are taken under the *Winding-up Act* (Canada) in respect of a credit union, the secretary of the credit union shall send notice thereof to the Director by registered mail. Notice of winding-up proceedings

AMALGAMATIONS

130.—(1) Any two or more credit unions may amalgamate and continue as one credit union. Amalgamation of credit unions

(2) The credit unions proposing to amalgamate shall enter into an agreement for the amalgamation prescribing the terms and conditions of the amalgamation, the mode of carrying the amalgamation into effect, and, in particular, the agreement shall set out, Amalgamation agreement

(*a*) the name of the amalgamated credit union;

(*b*) the limitation on membership in the amalgamated credit union;

(*c*) the name in full, callings and places of residence of the first directors of the amalgamated credit union;

(*d*) the time and manner of election of subsequent directors of the amalgamated credit union;

(*e*) the par value of each share of the amalgamated credit union;

(*f*) the manner of converting the share capital of each of the amalgamating credit unions into that of the amalgamated credit union;

(*g*) such other details as are necessary to perfect the

amalgamation and to provide for the subsequent management and operation of the amalgamated credit union.

Filing of agreement

(3) Within one month after the agreement is signed, the parties shall file with the Director, in triplicate, true copies of the amalgamation agreement.

Submission to members of credit unions

(4) The agreement is subject to the approval of the Director, and to adoption by a vote of two-thirds of the votes cast at a meeting of each of the amalgamating credit unions called for the purpose of considering the agreement within one month after the approval of the Director is given and, when so adopted, the fact shall be certified upon the agreement by the secretary of each of the amalgamating credit unions under the corporate seal.

Application for certificate of amalgamation

(5) If the agreement is adopted in accordance with subsection 3, the amalgamating credit unions may apply jointly to the Minister for a certificate of amalgamation.

Certificate of amalgamation

(6) The Minister may, in his discretion, issue a certificate of amalgamation, and on and after the date of the certificate such amalgamating credit unions are amalgamated and are continued as one credit union under the name set forth in the certificate, and the amalgamated credit union possesses all the property, rights, privileges and franchises and is subject to all the liabilities, contracts, disabilities and debts of each of the amalgamating credit unions.

Notice

(7) The Minister shall cause notice of the issue of the certificate of amalgamation to be given in *The Ontario Gazette* and to the Director.

Sale and purchase of assets

131.—(1) A credit union may sell all or any part of its assets to another credit union or it may purchase all or any part of the assets of another credit union in accordance with this section.

Agreement

(2) The agreement of purchase and sale is subject to the approval of the Director.

Purchase price

(3) The purchasing credit union may assume, as part of the purchase price, any or all of the liabilities of the selling credit union and may pay the balance in cash or by the issue of shares or promissory notes to the selling credit union or the members thereof whether or not such members are members of the purchasing credit union.

Approval by members

(4) The agreement as approved by the Director is subject

to the approval of the members of each of the credit unions by at least a two-thirds vote of the members present at each meeting, and the secretary of each credit union shall certify on the agreement that it has been so approved and shall forward a copy of the agreement so certified to the Director.

Effect of approval

(5) Upon the approval of the members of each of the credit unions, the agreement is binding on each of the credit unions and the sale shall thereafter be completed as of the effective date specified in the agreement.

Effective date

(6) In the event the agreement does not specify an effective date, the Director may fix a date upon which it will become effective.

Where all assets disposed of

(7) If the selling credit union has disposed of all its assets under the agreement, it shall cease to carry on business on the effective date of the agreement, except for the purpose of winding up its affairs, and it shall dissolve as soon as possible thereafter.

Where approval deemed given

(8) If the total assets of the selling credit union are less than 15 per cent of the total assets of the purchasing credit union, the membership of the purchasing credit union shall be deemed to have given approval to the transaction.

REORGANIZATION

Amendment of Articles

Amendments

132.—(1) Subject to sections 133 and 134, a credit union may, from time to time, amend its articles of incorporation to,

(*a*) limit or otherwise vary its powers;

(*b*) change its name;

(*c*) provide for any other matter that is authorized by this Act to be set out in the articles or that could be subject to a by-law of the credit union.

Authorization

(2) An amendment under subsection 1 shall be authorized by special resolution and such further authorization as the by-laws provide.

Articles of amendment

133. The credit union shall deliver to the Minister, within six months after the special resolution has been confirmed by the members, articles of amendment in duplicate, executed under the seal of the credit union and signed by two officers, or by one director and one officer, of the credit union and verified by affidavit of one of the officers or directors signing the articles of amendment, setting out,

(*a*) the name of the credit union;

(*b*) a certified copy of the special resolution;

(*c*) that the amendment has been duly confirmed and authorized as required by section 132; and

(*d*) the date of the confirmation of the special resolution by the members.

Certificate of amendment

134.—(1) If the articles of amendment conform to law, the Minister shall, when all prescribed fees have been paid,

(*a*) endorse on each duplicate of the articles of amendment the word "Filed" and the day, month and year of the filing thereof;

(*b*) file one of the duplicates in his office; and

(*c*) issue to the corporation or its agent a certificate of amendment to which he shall affix the other duplicate.

Effect of certificate

(2) The amendment becomes effective upon the date set forth in the certificate of amendment and the articles of incorporation are amended accordingly.

Restatement of Articles

Restatement of articles

135.—(1) Subject to subsections 2 and 3, a credit union may at any time restate its articles of incorporation as theretofore amended.

Filing of restatement

(2) The credit union shall deliver to the Minister the restated articles in duplicate, executed under the seal of the credit union and signed by two officers, or by one director and one officer, of the credit union and verified by affidavit of one of the officers or directors signing the restated articles, setting out,

(*a*) all the provisions that are then set out in the original articles of incorporation as theretofore amended; and

(*b*) a statement that the restated articles correctly set out without change the corresponding provisions of the original articles as theretofore amended.

Certificate of restatement

(3) If the restated articles of incorporation conform to law, the Minister shall, when all prescribed fees have been paid,

(*a*) endorse on each duplicate of the restated articles the word "Filed" and the day, month and year of the filing thereof;

(*b*) file one of the duplicates in his office; and

(*c*) issue to the credit union or its agent a restated certificate of incorporation to which he shall affix the other duplicate.

Effect of certificate

(4) The restated articles of incorporation become effective upon the date set forth in the restated certificate and supersede the original articles of incorporation and all amendments thereto.

RETURNS AND INSPECTIONS

Annual statements

136.—(1) A credit union shall, not later than four months after the end of its fiscal year, deliver to the Director, in the form prescribed by the regulations, a statement of operations, a balance sheet and the auditor's report, if any, and the statements shall also contain such other information as to compliance with this Act and the regulations as the Director requires.

Information for Director

(2) A credit union shall furnish the Director with such statements with respect to its business, finances and other affairs and with such other information as he requires and the board of directors, officers and employees shall cause their books and records to be open for inspection and otherwise facilitate any examination.

Verification

(3) The statement and other information required shall be certified by the supervisory committee and the president and by the treasurer or manager.

Inspection by appointee of Director

137. When the Director is required or authorized by this Act to make an examination, inspection or investigation, he may appoint in writing a duly qualified member of his staff to make such examination, inspection or investigation on his behalf.

Examination

138.—(1) The Director or any person authorized in writing by the Director shall review the annual statements received by him and he shall be given such additional information as he requires by both the Ontario Share and Deposit Insurance Corporation and the credit union and he may visit the head office of each credit union and he may inspect and examine into the conditions and affairs of any

credit union and shall be given access to all books, records and other documents and may make such inquiries as are necessary to ascertain its condition and ability to provide for the payment of its liabilities as they become due, and whether or not it has complied with this Act.

Report to Corporation

(2) Where the Director considers it necessary and believes on reasonable and probable grounds that a credit union is unable to provide for the payment of its liabilities as they become due he shall immediately report thereon in writing to the Ontario Share and Deposit Insurance Corporation.

Further examination

(3) Where the Director believes on reasonable and probable grounds that a credit union has failed to comply with the provisions of this Act or the regulations and it is expedient to make a further examination into the affairs of a credit union, the Director may, in his discretion, visit or cause a member of his staff to visit any office of the credit union to inspect and examine into its affairs and to make such further inquiries as the Director may require.

Material to be furnished on inspection

(4) For the purpose of the examination referred to in subsection 5, the credit union shall prepare and submit to the Director such statements with respect to its business, finances or other affairs, in addition to the statement mentioned in section 136, as the Director may require, and the board of directors, officers, agents and servants of the credit union shall cause its books to be open for inspection and shall otherwise facilitate such examination.

Examination under oath

(5) Upon such inspection or examination, the Director, or any person authorized by him, has the powers of a Commission under Part II of *The Public Inquiries Act, 1971*, which Part applies to the inquiry as if it were an inquiry under that Act.

1971, c. 49

Prohibition against accepting deposits

139.—(1) Where it appears to the Director from an examination of the condition and affairs of a credit union that the assets are shown on the statement mentioned in section 136 at an amount greater than the true value, he may require the credit union to set aside out of earnings such additional reserves as he considers necessary, and, where in his opinion the value of the assets of the credit union is less than its liabilities, including the deposits and share accounts of its members, the Director may prohibit the credit union from taking further deposits or payments to its members, or may limit such payments for such period as he considers necessary to protect the interests of the members,

and he may take such other action as he considers necessary for the protection or in the interest of the members, including the calling of meetings of members and having his representative attend the meeting for the purpose of explaining the situation to the members.

Suspension of business

(2) The Director may order a credit union to discontinue doing business for such time as he determines if, after an inspection thereof, he is satisfied that the continuance in business of the credit union is not in the members interest and shall report forthwith to the Ontario Share and Deposit Insurance Corporation the order made and the reasons therefor.

EXTRA-PROVINCIAL CREDIT UNIONS

Extra-provincial credit unions

140.—(1) Where the Government of Ontario has entered into an agreement providing for reciprocal rights for credit unions with the government of a province or territory of Canada, a credit union incorporated under the laws of that province or territory may register under this Act for such purposes as are specified in the agreement.

Register

(2) The Director shall maintain a register called the "Extra-Provincial Credit Unions Register" wherein shall be recorded the names of the credit unions registered and the limited purposes to which they are subject in Ontario.

Condition precedent to licence under R.S.O. 1970, c. 89

(3) No credit union that is an extra-provincial corporation within the meaning of *The Corporations Act* shall be licensed under that Act as an extra-provincial corporation unless it has been first registered under this Act by the Director.

OFFENCES

Offences re records and inspections

141.—(1) Every person who,

(*a*) refuses or neglects to make an entry in any record required by this Act, the regulations or the by-laws to be kept;

(*b*) refuses to produce any document or record of a credit union for the purpose of any inspection, examination or investigation authorized by this Act, the regulations or the by-laws;

(*c*) obstructs any person authorized by this Act, the regulations or the by-laws to inspect, examine or investigate the affairs of the credit union,

is guilty of an offence and is liable on summary conviction to a fine of not more than $2,000.

Officers of corporations

(2) Where a corporation is guilty of an offence referred to in subsection 1, every director or officer thereof who authorized, permitted or acquiesced in the offence is also guilty of the offence and on summary conviction is liable to a fine of not more than $2,000.

Offence, false statements

142.—(1) Every person who makes or assists in making a statement in any document required by or for the purposes of this Act or the regulations or the by-laws of a credit union that, at the time and in the light of the circumstances under which it was made, is false or misleading in respect of any material fact or that omits to state any material fact the omission of which makes the statement false or misleading is guilty of an offence.

Defence

(2) No person is guilty of an offence under subsection 1 if he did not know that the statement was false or misleading and in the exercise of reasonable diligence could not have known that the statement was false or misleading.

Failure to file annual return

143.—(1) A credit union that is in default of filing the annual statement required by section 136 is guilty of an offence and upon summary conviction is liable to a fine of not more than $50 for each day such default continues.

Failure to pay Corporation

(2) A credit union that is in default of payment of any assessment made on it by the Ontario Share and Deposit Insurance Corporation is guilty of an offence and upon summary conviction is liable to a fine of not more than $50 for each day such default continues.

General penalty

144.—(1) Every person who is guilty of an offence under this Act for which no penalty is otherwise provided is liable on summary conviction to a fine of not more than $2,000 or, if such person is a corporation, to a fine of not more than $10,000.

Officers of corporations

(2) Where a corporation is guilty of an offence referred to in subsection 1, every director or officer thereof who authorized, permitted or acquiesced in the offence is also guilty of the offence and on summary conviction is liable to a fine of not more than $2,000.

REGULATIONS

Regulations

145. The Lieutenant Governor in Council may make regulations,

(*a*) prescribing the procedure and forms to be used under this Act;

(*b*) requiring and prescribing the fees payable for incorporation of credit unions and credit union leagues, for amalgamation of credit unions, for changing the name of credit unions, upon filing any articles of incorporation, return or other document required or permitted to be filed under this Act, for searches, and for certified copies of certificates of incorporation and other documents;

(*c*) respecting the holding of first meetings, the notice calling the meeting, the quorum, and the business to be transacted;

(*d*) prescribing matters to be shown in financial statements under clause *a* of subsection 2 of section 71;

(*e*) governing the operations and powers of branches of credit unions;

(*f*) governing credit unions and leagues of credit unions;

(*g*) prescribing any matter required by this Act to be prescribed by the regulations.

MISCELLANEOUS

146.—(1) The letters patent, supplementary letters patent or memorandum of association of any credit union to which this Act applies continue and shall be deemed to be amended in accordance with the provisions of this Act on the day that it comes into force and any additions or amendments to or deletions from any provision in the memorandum of association, letters patent or supplementary letters patent of a credit union shall be made in accordance with this Act. Transitional continuance, of letters patent, etc.

(2) Any investment made by a credit union prior to the date of the coming into force of this Act that, but for this Act, would have been an authorized investment may be disposed of prior to maturity or held to maturity and any realized gains or losses may be brought through income accounts over the period to maturity.

147. The following are repealed: Repeals

1. *The Credit Unions Act*, being chapter 96 of the Revised Statutes of Ontario, 1970.

2. *The Credit Unions Amendment Act, 1972*, being chapter 172.

3. *The Credit Unions Amendment Act, 1974*, being chapter 39.

4. Paragraph 10 of the Schedule to *The Age of Majority and Accountability Act, 1971*, being chapter 98.

5. Section 38 of *The Government Reorganization Act, 1972*, being chapter 1.

Commencement

148. This Act comes into force on a day to be named by proclamation of the Lieutenant Governor.

Short title

149. This Act may be cited as *The Credit Unions and Caisses Populaires Act, 1976*.

The Credit Unions and Caisses Populaires Act, 1976

1st Reading

June 3rd, 1976

2nd Reading

October 26th, 1976

3rd Reading

THE HON. S. B. HANDLEMAN
Minister of Consumer and
Commercial Relations

(*Reprinted as amended by the Administration of Justice Committee*)

1976

BILL 97

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

The Credit Unions and Caisses Populaires Act, 1976

THE HON. S. B. HANDLEMAN
Minister of Consumer and Commercial Relations

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

TABLE OF CONTENTS

	PAGE
Interpretation	1
Incorporation	3
Leagues	9
Contracts	11
By-laws	12
Capital	14
Borrowing	15
Registers	16
Members	16
Directors	23
Credit Committee	24
Supervisory Committee	27
Officers	30
Auditors and Financial Statements	30
Officers—General	34
Meetings	36
Dividends	40
Investments	40
Ontario Share and Deposit Insurance Corporation	51
Winding Up	62
Amalgamations	73
Reorganization	75
Returns and Inspections	77
Extra-Provincial Credit Unions	79
Offences	79
Regulations	80
Miscellaneous	81

BILL 97 **1976**

The Credit Unions and Caisses Populaires Act, 1976

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

INTERPRETATION

1.—(1) In this Act, Interpretation

(*a*) "articles of incorporation" or "articles" means the original or restated articles of incorporation, articles of amalgamation, articles of amendment, memorandum of association, a special Act or other instrument by which a credit union is incorporated and includes any amendment thereto;

(*b*) "auditor" means a person who is a public accountant licensed under *The Public Accountancy Act*; R.S.O. 1970, c. 373

(*c*) "by-law" means a by-law approved under this Act, and includes any amendment or revocation of a by-law approved under this Act;

(*d*) "capital" means the outstanding amount that has been received from members on account of shares;

(*e*) "certificate of incorporation" includes the memorandum of association, a special Act or any other instrument by which a credit union is incorporated;

(*f*) "court" means the Supreme Court of Ontario;

(*g*) "credit union" means a corporation incorporated as a credit union or caisse populaire under this Act or a predecessor of this Act;

(*h*) "debt obligation" means a bond, debenture, note or other similar obligation of a corporation, whether secured or unsecured;

(*i*) "deposit" includes all sums placed on deposit with a credit union;

(*j*) "Director" means the Director of Credit Unions of the Ministry of Consumer and Commercial Relations;

(*k*) "financial statement" means a financial statement referred to in section 71;

(*l*) "league" means a corporation incorporated as a credit union league or federation under this Act or a predecessor of this Act;

(*m*) "member" means a person who is a member or enrolled as a member of a credit union under this Act, the articles and the by-laws of the credit union governing membership;

(*n*) "Minister" means the Minister of Consumer and Commercial Relations;

(*o*) "officer" means the president, any vice-president, treasurer, secretary, manager, assistant treasurer, assistant secretary, assistant manager and any employee who has authority to approve loans and any employee of a credit union who reports directly to the board of directors;

(*p*) "personal representative" where used with reference to holding shares or having deposits in that capacity means an executor, administrator, guardian, tutor, trustee, receiver or liquidator, or the committee of or curator to a mentally incompetent person;

(*q*) "regulations" means the regulations made under this Act;

(*r*) "related person", where used to indicate a relationship with any person, means any spouse, son or daughter of that person, or any relative of that person or of his spouse, son or daughter who has the same home as that person;

(*s*) "special resolution" means a resolution that is not effective until it is passed by the board of directors of the credit union and confirmed, with or without variations, by at least two-thirds of the votes cast at a general meeting of the members of the credit union duly called for that purpose;

(*t*) "Superintendent" means the Superintendent of Insurance;

(*u*) "surplus" means the aggregate balances of undivided earnings, statutory reserve and other reserves.

Joint shares

(2) For the purposes of this Act, two or more persons holding the same share or shares jointly shall be considered as one member.

Director of Credit Unions

2.—(1) There shall be a Director of Credit Unions appointed by the Lieutenant Governor in Council, who shall exercise the powers and shall perform the duties conferred or imposed on him by this Act or the regulations under the supervision of the Superintendent.

Application of R.S.O. 1970, c. 89

(2) *The Corporations Act* does not apply to credit unions or credit union leagues.

INCORPORATION

Incorporation

3.—(1) A credit union may be incorporated under this Act by articles of incorporation for the objects stated in section 11 and the incorporation is subject to the approval of the Minister.

Application

(2) Any number of natural persons, not fewer than twenty, who are of the age of eighteen years or more, may apply to be incorporated as a credit union by signing and delivering to the Minister, in duplicate, articles of incorporation in the form prescribed by the regulations together with two copies of the proposed by-laws of the credit union.

Articles of incorporation

(3) The articles of incorporation shall set out:

1. The name of the credit union to be incorporated.

2. The place in Ontario where the head office of the credit union is to be located giving the municipality and the county or district or where the head office is to be located in a territory without municipal organization, the geographic township and district, if any.

3. The name of each of the incorporators and residence address of each.

4. The number of directors of the credit union, which shall be not fewer than five, and the name and residence address, giving the street and number, if any, of each person who is a first director of the credit union.

5. Any other matter required by this Act or the regulations to be set out in the articles.

Idem

(4) The articles may set out any provision that is authorized by this Act to be set out in the articles or that could be the subject of a by-law of the credit union.

Affidavits

(5) The signature of each incorporator and each first director and the fact that each incorporator and each first director is of the age of eighteen years or more shall be verified by affidavit.

Director may direct amendment of by-laws

(6) The proposed by-laws shall be in accordance with section 16 and if the Director finds the proposed by-laws repugnant to this Act he may direct an amendment before the application is proceeded with.

Report to Minister

(7) The Director shall inquire into the circumstances, sufficiency and regularity of the articles of incorporation and accompanying proposed by-laws delivered to the Minister and may require any matter to be verified under oath and shall report thereon to the Minister.

Reasons

(8) Where the Director reports to the Minister that the articles of incorporation should not be filed, his report shall include the reasons therefor and a copy of his report shall be delivered to the incorporators.

Submissions to Minister

(9) The incorporators may, within fifteen days after receiving the report and reasons of the Director under subsection 8, make written submissions to the Minister in respect thereof.

Issuance of certificate of incorporation

(10) After considering the report of the Director and the submissions, if any, of the incorporators, the Minister may, in his discretion and after all prescribed fees have been paid,

(*a*) endorse on the duplicate of the articles the words "Filed" and the day, month and year of the filing thereof;

(*b*) file one of the duplicates in his office; and

(*c*) issue to the incorporators or their agent a certificate of incorporation to which he shall affix the other duplicate.

Effect of incorporation

(11) A credit union comes into existence upon the date set forth in its certificate of incorporation and the certificate of incorporation, the articles of incorporation, and the by-laws

of the credit union, together with this Act, constitute the charter of the credit union.

Notice

(12) A certificate of incorporation is conclusive proof that all conditions precedent required to be performed by the incorporators have been complied with and that the credit union has been incorporated under this Act, except in a proceeding under section 122.

Name

4.—(1) No credit union shall be incorporated under a name identical with that of any other credit union or of any corporation or organization or under a name so nearly resembling that of any other credit union, corporation or organization as, in the opinion of the Minister, to be likely to deceive or under a name that may otherwise, in the opinion of the Minister, be objectionable on public grounds.

Change if objectionable

(2) If a credit union, through inadvertence or otherwise, has acquired a name contrary to subsection 1, the Minister may, after he has given the credit union an opportunity to be heard, issue a certificate of amendment to the articles changing the name of the credit union to the name specified in the certificate, and upon issuance of the certificate of amendment, the articles are amended accordingly.

Use of "credit union"

5.—(1) The name of a credit union shall include the words "credit union" or "caisse populaire" as part thereof.

Use of "Limited"

(2) The name of the credit union shall have the words "Limited" or "Limitée", or "incorporated" or "incorporée", or its corresponding abbreviation "Ltd", "Ltée", or "Inc" as the last word thereof.

Exception from subs. 1

(3) Notwithstanding subsection 1, a credit union incorporated under a predecessor of this Act may continue to use the name under which it was incorporated.

Use of name

6. Notwithstanding section 5, a credit union may use its name in such form and in such language as the articles provide and as the Minister approves.

Effect of change of name

7. A change of name of a credit union does not affect its rights and obligations.

Use of words "credit union"

8. Any person, not being a credit union or league to which this Act applies, who carries on business under a name or title in which the words "credit union" or "caisse populaire" are used is guilty of an offence.

Seal

9.—(1) A credit union shall have a seal, which shall be adopted and may be changed by resolution of the directors.

Idem

(2) The name of the credit union shall appear in legible characters on the seal.

Head office

10.—(1) A credit union shall at all times have its head office in Ontario at the place where its articles provide.

Change

(2) A credit union may by by-law change the geographic location of its head office to another place in Ontario if such change would better serve its purpose and objects.

Objects of credit unions

11.—(1) The articles of a credit union shall state its objects and purposes as being the promotion of co-operative enterprise, the facilitating of the accumulation of savings and the creation of a source of credit for its members at conscionable rates of interest and the provision of full financial services for its members and every credit union shall be deemed to have such objects in its articles.

Ancillary powers

(2) For the purpose of carrying out its objects, subject to the other provisions of this Act, the regulations, the articles and the by-laws of the credit union, every credit union has power as incidental and ancillary to its objects,

1. to receive moneys on deposit from members and as payment for shares;

2. to make loans to members, with or without security;

3. to make loans to other credit unions, where the loans are approved by the Ontario Share Deposit Insurance Corporation;

4. to deposit moneys with, invest in shares of, or make loans to, any league;

5. to make donations and gifts out of the surplus income or any undivided earnings for the purpose of advancing the interest of the credit union or of credit unions generally and for charitable purposes;

6. to purchase, lease, or take in exchange, hire or otherwise acquire any personal property and any right or privilege the credit union considers necessary or convenient for the purpose of the credit union;

7. to invest funds of the credit union;

8. where authorized to do so by a special resolution, to sell, lease, exchange or otherwise dispose of all or substantially all the property of the credit union for such consideration as the credit union considers appropriate;

9. to construct, maintain and alter any buildings or works necessary for its objects;

10. to lease and, where authorized by by-law, to acquire by purchase or otherwise and hold any real property or interest therein necessary for its present or future use and occupation or for carrying on its undertaking, and, when no longer necessary therefor, to sell, alienate or convey it;

11. to take, hold, alienate, realize on, or otherwise dispose of any real or personal property that has been mortgaged or pledged to the credit union by way of security for, or conveyed to it in satisfaction of loans made in the course of business or otherwise purchased for the purpose of avoiding a loss to the credit union;

12. to draw, make, accept, endorse, execute, discount and issue promissory notes, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments;

13. subject to such conditions as are prescribed by the regulations, to establish and operate branch offices to provide credit union services;

14. to pay all costs and expenses of, or incidental to, the incorporation and organization of the credit union;

15. to establish and support or aid in the establishment and support of or the subscription to, associations, institutions, funds or trusts for the benefit of employees or former employees of the credit union or its predecessors, or the dependants or connections of such employees or former employees, and grant pensions and allowances, and make payments towards insurance or for any object similar to those set forth in this paragraph, and to subscribe or guarantee money for charitable, benevolent, educational or religious objects or for any exhibition or for any public, general or useful objects;

16. to adopt means of making known the services of the credit union, and in particular by advertising, by purchase and exhibition of works of art or interest, by publication of books and periodicals or by granting prizes, rewards and making donations;

17. to deposit money in chartered banks, the Province of Ontario Savings Office, or loan companies and trust companies registered under *The Loan and Trust Corporations Act*; R.S.O. 1970, c. 254

18. to contract and sue and be sued in the corporate name;

19. to purchase group insurance for its members;

20. to perform any of the things authorized by this section as principal or agent and either alone or in conjunction with others;

21. to perform all such other things as are incidental or conducive to the attainment of the objects and the exercise of the powers of the credit union;

22. to have perpetual succession;

23. to carry on any other business capable of being conveniently carried on in connection with its business or likely to enhance the value of or make profitable any of its property or rights;

24. to acquire and hold shares in any other company having objects altogether or in part similar to those of the credit union or carrying on any business capable of being conducted so as to benefit the credit union;

25. to sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with the property of the credit union in the ordinary course of its business;

26. to provide safekeeping facilities and services for personal property;

27. to provide services for the collection and payment of moneys from and on behalf of its members;

28. to provide such programs and services for its members as in the opinion of the board of directors may assist the members to meet their financial or social needs;

29. subject to the approval of the Director, to accept custody of assets for specific purposes or under specific terms and conditions and to act as an agent

to carry out such purposes, such purposes to include, but not be restricted to, the custody of funds deposited under registered retirement savings plans and registered home ownership savings plans.

(3) Any of the powers set out in subsection 2 may be withheld or limited by the articles. Limitation of powers

(4) Every credit union may exercise its powers beyond the boundaries of Ontario to the extent to which the laws in force where the powers are sought to be exercised permit, and may accept extra-provincial powers and rights. Power to act outside Ontario

LEAGUES

12.—(1) Ten or more credit unions may be incorporated as a league or federation for the object and purpose of, Leagues

(*a*) protecting and advancing the credit unions that are members of the league;

(*b*) providing encouragement and assisting in programs and activities contributing to the growth and development of member credit unions;

(*c*) conducting training programs for the general improvement of managers, employees and members of the board of directors and committees of member credit unions;

(*d*) arranging for pension plans, group bonding and group insurance of all kinds for the officers, employees and members of credit unions and assisting in repayment of loans made by credit unions to their members;

(*e*) receiving moneys from their member credit unions or the Ontario Share Deposit Insurance Corporation, either as payment on shares or as deposits;

(*f*) making loans to credit unions that are members of the league;

(*g*) providing services to or for its member credit unions that, in the opinion of the directors of the league, are incidental or conducive to the sound operation or to the attaining of the purposes of its members.

(2) Any competent person authorized by a league may examine into the affairs of any credit union that is a member of the league and for such purpose he shall be given access Examination by league

to all books, records and other documents of the credit union and he may make whatever inquiries are necessary to ascertain its true condition and its ability to provide for the payment of its liabilities as they become due, and the officers and employees of the credit union shall facilitate him in his examination and inquiry.

Act to apply to leagues

(3) The provisions of this Act applicable to credit unions apply *mutatis mutandis* to leagues and their incorporation except where inconsistent with this section, but the Lieutenant Governor in Council may by regulation declare that any provision of this Act does not apply to leagues.

Ancillary powers

(4) Every league has power as incidental and ancillary to its objects,

(*a*) to apply to and enter into any agreement with the Canada Deposit Insurance Corporation, the Ontario Share and Deposit Insurance Corporation, the Government of Canada, the Government of Ontario, a chartered bank or other corporation or person, to obtain loans or other financial assistance;

(*b*) to act as agent or subagent for primary or secondary distribution of bonds, debentures or other evidences of indebtedness of or guaranteed by the Government of Canada or any province or municipal corporation in Canada and for that purpose trade in such bonds, debentures or other evidences of indebtedness to the extent necessary;

(*c*) to become a member of, buy shares in, deposit money with or borrow money from any other league or any co-operative credit society or association as defined in the *Co-operative Credit Associations Act* (Canada) or any other like institution incorporated under the laws of Canada or any province;

R.S.C. 1970, c. C-29

(*d*) when authorized by the Director, to establish, arrange for and maintain trust funds for the benefit of the member credit unions;

(*e*) to invest in the fully paid shares of,

(i) any corporation registered under *The Loan and Trust Corporations Act*, or

R.S.O. 1970, c. 254

(ii) with the approval of the Superintendent, any company incorporated to carry on any other business reasonably ancillary to the business of a credit union or a league,

provided that if such investment exceeds 30 per cent of the voting common shares of a corporation, the league shall own at least 51 per cent of the voting common shares of the corporation;

(*f*) to provide such other services as may be authorized by the regulations.

Application of R.S.C. 1970, c. C-29

(5) A league may accept and exercise all rights, powers, privileges and immunities conferred on it by the *Co-operative Credit Associations Act* (Canada).

Withdrawal

(6) Any credit union that is a member of a league may withdraw from membership if authorized by resolution passed by a majority of the votes cast at a general meeting duly called for the purpose.

CONTRACTS

Acting outside powers

13.—(1) No act of a credit union and no transfer of real or personal property to or by a credit union, otherwise lawful, that is heretofore or hereafter done or made, is invalid by reason of the fact that the credit union was without capacity or power to do such act or make or receive such transfer, but such lack of capacity or power may be asserted,

(*a*) in a proceeding against the credit union by a member under subsection 2;

(*b*) in a proceeding by the credit union, whether acting directly or through a receiver, liquidator, trustee or other legal representative or through members in a representative capacity, against a director or officer or former director or officer of the credit union; or

(*c*) as cause for the cancellation of the certificate of incorporation of the credit union.

Restraining order

(2) A member of a credit union may apply to the court for an order to restrain the credit union from doing any act or transferring or receiving the transfer of real or personal property on the ground that the credit union lacks capacity or power for the purpose, and the court may, if it considers it to be just and equitable, grant an order prohibiting the credit union from doing the act or transferring or receiving the transfer of the real or personal property, but, where the act or transfer sought to be restrained or prohibited is being or to be done or made under a contract to which the credit union is a party,

(*a*) all the parties to the contract shall be parties to the proceeding;

(*b*) the court in granting the order may set aside the contract and allow the credit union or other parties to the contract, as the case may be, such compensation as may be equitable for the loss or damage sustained by any of them from the granting of the order and setting aside of the contract, other than anticipated profits from the contract.

Contracts in writing under seal

14.—(1) A contract that if entered into by an individual person would by law be required to be in writing and under seal may be entered into on behalf of a credit union in writing under the seal of the credit union.

Contracts in writing under seal

(2) A contract that if entered into by an individual person would by law be required to be in writing signed by the parties to be charged therewith may be entered into on behalf of a credit union in writing signed by any person acting under its express authority.

Parol contracts

(3) A contract that if entered into by an individual person would by law be valid although made by parol only and not reduced into writing may be entered into by parol on behalf of a credit union by any person acting under its express authority.

Prior consent of Director

15. A credit union shall not acquire, purchase or lease real estate for its own use where the cost of such real estate or building or of the lease over its duration is in an amount equal to more than 8 per cent of the total share capital and deposits of a credit union without the prior written consent of the Director.

BY-LAWS

Extent of by-laws

16.—(1) The directors may pass by-laws not contrary to this Act or to the articles to regulate,

(*a*) the fees, terms and conditions of admission to, and withdrawal, suspension and expulsion from, membership in the credit union;

(*b*) the allotment and recording of shares, the maximum number that may be alloted to any member, the payment for shares and the withdrawal or transfer of shares;

(*c*) the terms, conditions and limitations under which deposits may be made with or withdrawn from the credit union;

(*d*) the terms, conditions and limitations for loans made by the credit union and the interest thereon;

(*e*) the time and place of and the notice and the record date for the determination of members entitled to vote to be given for the holding of meetings of members and of the board of directors, the quorum of meetings of members and the procedure and language to be used in all matters relative to the operation of the credit union;

(*f*) the time for and manner of election of directors, and the remuneration of directors;

(*g*) the appointment, remuneration, functions, duties and removal of officers and employees of the credit union and the security, if any, to be given by them to it;

(*h*) the purposes for which the profits of the credit union may be appropriated or distributed by way of rebate of interest on loans, by dividends or otherwise;

(*i*) where the credit union is a member of a league, a yearly assessment of its members to be paid to the league to assist in its financing;

(*j*) the conduct in all other particulars of the affairs of the credit union.

Membership in league

(2) Subject to clause *i* of subsection 1, a credit union may become a member of a league by resolution passed by a majority of the votes cast at a general meeting duly called for the purpose.

Remuneration of directors

17.—(1) A by-law relating to the remuneration of directors may provide that the board of directors by resolution shall fix the remuneration and period for which it is to be paid.

Delegation to board

(2) A by-law may provide that the board of directors may by resolution exercise the powers referred to in clause *c*, *d*, *g* or *h* of subsection 1 of section 16.

Passing of by-laws

18.—(1) No by-law is effective until it is,

(*a*) passed by the board of directors of a credit union;

(*b*) confirmed, with or without variation, by at least two-thirds of the votes cast at a general meeting of the members of the credit union duly called for that purpose, or such greater proportion of the votes cast as the articles provide; and

(*c*) approved by the Director in the manner prescribed in this section.

Submission to Director

(2) Upon the confirmation of a by-law under clause *b* of subsection 1, the board of directors shall forward to the Director two copies thereof signed by two officers or one officer and one director.

Approval by Director

(3) The Director shall signify his approval by certifying the approval on one copy of the by-law with the date of the approval and returning it to the credit union.

Amendments upon approval

(4) Any amendment required by the Director as a condition of his approval may be made by the board of directors unless the amendment alters the intent of the by-law.

Copies of by-laws

19. A copy of the by-laws of a credit union shall be delivered by the credit union to a member on demand on payment of a fee fixed by the by-laws, which shall not exceed the amount prescribed therefor by the regulations.

CAPITAL

Capital

20.—(1) The capital of a credit union shall be divided into shares with par value and the amount thereof shall be determined by the by-laws of the credit union, but the par value of each share shall in no case exceed $10.

Capital, how increased and diminished

(2) The subscribed capital of a credit union may, subject to the by-laws, be increased by payment for shares by members, and may be diminished by withdrawal of such payments by members.

Fully paid shares only

(3) No share in a credit union shall be allotted until it is fully paid for and a share is not fully paid until payment in cash therefor has been received by the credit union.

No commission on shares

(4) No commission, discount, allowance, or other compensation shall be paid or allowed by a credit union in consideration of the subscription for or sale of any of its shares.

Shares are personal property

(5) The shares of a credit union are personal property.

Additional shares

(6) The payment on account of shares by a member and the receipt thereof by a credit union shall be deemed to be an allotment of such shares to the members.

Member's liability for shares

(7) A member is not liable to the credit union for shares subscribed for in excess of the amount actually paid thereon.

(8) Where the board of directors determines that the credit union has suffered an impairment of capital, the board may by resolution fix the proportion of money invested in shares that may be withdrawn, and so long as any impairment of capital exists, may from time to time change the proportion that may be withdrawn. Where capital impaired

(9) No member of a credit union shall withdraw any portion of the money invested in shares in excess of the proportion specified in the resolution under subsection 8, or set off against any debts owing by him to the credit union a greater proportion of the money invested in shares than is specified in the resolution. Idem

(10) No resolution passed under subsection 8 applies to money invested in shares after the date of the resolution. Idem

BORROWING

21.—(1) Subject to the qualifications, limitations and restrictions in this Act, the board of directors of a credit union, when authorized by by-law, may, Borrowing by-law

(*a*) borrow money by way of loan, exclusive of money received on deposit, at such rates of interest and upon such terms as the board of directors may from time to time determine in an amount, exclusive of money on deposit, not exceeding 25 per cent of the paid-in capital, deposits and surplus of the credit union, but when specifically authorized by by-law, the total amount borrowed, exclusive of money received on deposit, may be an amount not exceeding 50 per cent of the total of the paid-in capital, deposits and surplus of the credit union;

(*b*) subject to clause *a*, charge, mortgage, hypothecate or pledge all or any currently owned or subsequently acquired real or personal, movable or immovable property of the credit union, including book debts, rights, powers and franchises and undertaking, to secure any debt obligation or any money borrowed, or other debt or liability of the credit union.

(2) Clause *a* of subsection 1 does not apply to a league. Leagues excepted

22.—(1) A credit union shall not borrow by the issue of a debenture. Not to issue debentures

(2) Subsection 1 does not apply to a league. Leagues excepted

23. The Director may from time to time inquire into the borrowing of a credit union and may limit the authority of the board of directors of a credit union to further borrow by giving notice of the limitation by registered mail to the Limitation by the director

board setting forth his reasons for limiting the borrowing powers and a credit union shall not exercise its borrowing powers in excess of any limitation imposed by the Director.

REGISTERS

Register of members

24.—(1) Every credit union shall keep a register of members and shares.

Certificate as evidence

(2) A statement as to,

(*a*) the names and addresses of the members and the number of shares held by each member;

(*b*) the date on which the name of any person was entered in the register as a member; or

(*c*) the date on which any person ceased to be a member,

purporting to be certified by the secretary is, without proof of the office or signature of the secretary, receivable in evidence as *prima facie* proof of the facts stated therein for all purposes in any action, proceeding or prosecution.

Documents to be kept

(3) Every credit union shall keep or cause to be kept the following documents and registers in either English or French only,

(*a*) a copy of its articles;

(*b*) the by-laws and resolutions, including special resolutions, of the credit union;

(*c*) a register of the members of the board of directors, credit committee and supervisory committee, and all officers of the credit union, setting out their names, residence addresses, giving the street and number, if any, and occupations, with the several dates on which they have become or ceased to be a member of such board or committee;

(*d*) a register of all securities held by the credit union;

(*e*) books of account and accounting records with respect to all financial and other transactions of the credit union as may be required by the Director;

(*f*) the minutes of all proceedings at meetings of members, directors and any committees.

MEMBERS

Membership

25. Subject to the provisions of this Act and its articles, membership in a credit union is governed by its by-laws.

Incorporators deemed members

26.—(1) Each incorporator of a credit union who has subscribed for a share in the credit union becomes a member upon the effective date of incorporation and shall be entered upon the register of members.

Subscription deemed application

(2) A subscription for shares in a credit union constitutes an application for membership and the allotment of a share to the applicant constitutes admission to membership.

Applicants for membership

(3) Subject to subsection 1, no person shall become a member of a credit union until his application for membership has been approved by the board of directors or an officer authorized by the board and the applicant has complied fully with the by-laws governing admission of members.

Membership limitation

27.—(1) Subject to subsection 2, the by-laws of every credit union shall provide that the membership of the credit union shall be limited to persons or related persons having a common bond of occupation or association or to persons or related persons residing or working within a municipality, neighbourhood or other reasonably well-defined community.

Removal of limitation

(2) A credit union may apply to the Director for the repeal from its by-laws of the provisions referred to in subsection 1 and the Director, if he is satisfied that the credit union has a sufficient membership, capital and money on deposit and is being operated in a satisfactory manner, may approve the repealing by-law and permit its filing on such terms as the Director sees fit.

Director's approval

(3) The Director shall not approve a by-law of a credit union under subsection 2 unless the credit union proposes to have a full-time management and a self-contained place of business and would be, in his opinion, capable of providing a satisfactory service to its members.

Register of members

28. Every person whose name is registered in the register of members is entitled to,

(*a*) a passbook or other record specifying the amount paid upon shares, deposits and loans by him; and

(*b*) such other information as may be prescribed by the by-laws of the credit union,

and the passbook or other record is admissible in evidence as *prima facie* proof of membership and of the information entered therein.

Voting

29.—(1) A member of a credit union has only one vote.

Proxies permitted

(2) No member of a credit union shall vote by proxy except when such member is a corporation, an unincorporated association or a municipality as defined in *The Municipal Affairs Act*.

R.S.O. 1970, c. 118

Liability of members

30. A member is not responsible for any act, default or liability of the credit union, or for any engagement, claim, payment, loss, injury, transaction, matter or thing relating to or connected with the credit union beyond the amount paid on his share or shares.

Not bound by trust

31. A credit union is not bound to see to the execution of any trust, whether express, implied or constructive to which any share or deposit is subject.

Shares in trust

32. A member, in addition to holding shares in his own name, may subscribe for and hold shares and make deposits in trust for a named beneficiary, and such beneficiary without payment of any entrance fee shall be deemed to be a member of the credit union only for the purpose of qualifying for life insurance under a group policy of insurance purchased by the credit union on the lives of its members and is not entitled to notice of meetings or to vote at meetings.

Joint accounts

33. Two or more members may hold their shares and deposits in a joint account and, in the absence of written notice to the contrary, payment by the credit union to any of such members or to the survivor or any of the survivors of such members of any money standing to the credit of the joint share or deposit account discharges the credit union from any further liability for such payment.

Ages of members

34.—(1) A person under the age of eighteen years may be a member of a credit union, and every such member may enjoy all the rights of a member and execute all instruments and give all acquittances necessary to be executed or given but is not entitled to vote unless permitted to do so by the by-laws.

Right to borrow

(2) Subject to the by-laws, a member under the age of eighteen years does not have the right to borrow any amount in excess of his deposits in the credit union except upon a joint and several promissory note signed by him and by a person eighteen years of age or over.

Deposits

(3) A member under the age of eighteen years may deposit money with a credit union in his own name, and the money so deposited may be repaid to him, and he

may give a valid discharge therefor, notwithstanding his minority.

Corporate and partnership members R.S.O. 1970, cc. 118, 340

35. A corporation including a municipality as defined in *The Municipal Affairs Act*, an unincorporated association or a partnership registered under *The Partnerships Registration Act* may become a member of a credit union on such terms and conditions as are prescribed by the regulations.

Transmission of shares

36.—(1) Subject to section 37 and *The Succession Duty Act*, where a transmission of a share in a credit union takes place by virtue of any testamentary act or instrument, or in consequence of an intestacy, if the probate of the will or letters of administration or document testamentary, or other judicial or official instrument under which the title, whether beneficial or as trustee, or the administration or control of the personal estate of the deceased is claimed to vest, purports to be granted by any court or authority in any country, the probate of will or letters of administration or document testamentary or other judicial or official instrument or an authenticated copy thereof, or an official extract therefrom, may, together with a declaration in writing showing the nature of the transmission and signed and executed by the person claiming by virtue thereof, be produced and deposited with the secretary or officer named by the board of directors of the credit union for the purpose of receiving it.

Proof

(2) The production and deposit specified in subsection 1 shall be sufficient authority to the board of directors to pay the amount or value of any obligation on shares, in pursuance of, and in conformity with the letters probate, letters of administration, or other instrument.

Payment of moneys re deceased member

37.—(1) Where a member of a credit union dies, the credit union may pay,

(*a*) an amount not exceeding an amount prescribed by the regulations out of the amount on deposit in the name of the deceased or for the shares of the deceased; and

(*b*) an amount not exceeding an amount prescribed by the regulations out of any money that is received by the credit union under any policy of insurance on the life of the deceased,

to any person who the board is satisfied, by statutory declaration attested to not sooner than thirty days after the death, is entitled.

Effect of payment

(2) A payment made under subsection 1 discharges any obligation of the credit union or its board of directors in

respect of the money paid but does not affect the right of any other person claiming to be entitled to recover such money from the person to whom it was paid.

Deposits or shares in trust

(3) Where a member of a credit union dies holding shares or money on deposit in his name in trust for a named beneficiary, the credit union may pay the amount of such shares or deposit and any interest thereon to the executor or administrator of the estate of the deceased member, subject to the trusts or, where there is no executor or administrator, to the beneficiary or, where the beneficiary is a minor, to his parent or guardian.

Lien for debt

38. A credit union has a lien on the shares and deposits of a member for any debt due to it by him, and may set off any sum standing to the credit of such member on the books of the credit union in or towards the payment of such debt.

Unclaimed credits

39. Where moneys are held by a credit union for the credit of one of its members by reason of a deposit made or shares held by such member and the credit union is unable after reasonable efforts to locate the person entitled to such moneys, the credit union may pay such moneys to the Treasurer of Ontario and the Treasurer of Ontario may pay such moneys to the person entitled thereto upon satisfactory proof being furnished that he is the person entitled to receive such moneys.

Withdrawal of members

40.—(1) A member of a credit union may withdraw from a credit union at any time by giving notice thereof in accordance with the by-laws.

Idem

(2) A deceased member shall be deemed to have given notice to the credit union of his intention to withdraw on the day of his death.

Payment to withdrawing member

(3) All amounts paid to the credit union on shares and deposits by a withdrawing member shall, after deducting all amounts due from the member to the credit union, be paid to such member within ninety days of his giving notice of his intention to withdraw.

Idem

(4) A withdrawing member is entitled to receive any dividend, interest or rebate of loan interest paid or payable to other members of the credit union as at the date of his withdrawal on the same conditions that the board of directors have made applicable to all members of the credit union.

Notice of withdrawal

(5) Subject to subsection 3, a member who has given

notice of withdrawal, or is expelled from a credit union, has no further rights in the credit union, but he is not, by the withdrawal or expulsion, released from any remaining liability to the credit union.

Extension of time

(6) Where, in the opinion of the board of directors of the credit union, the payments in accordance with subsections 3 and 4 would not be in the best interests of the credit union, the board may by resolution suspend such payments for a period of one year or for such greater period and on such terms and conditions as the Director may approve.

Expulsion of members

41.—(1) Subject to subsection 2, a member may be expelled from membership in a credit union for misconduct in the affairs of the credit union or for failure to abide by the conditions of membership set out in the by-laws by a resolution passed by a majority of the members at a meeting duly called for that purpose.

Notice of misconduct

(2) A resolution under subsection 1 is not valid unless,

(*a*) a charge constituting grounds for expulsion has been made against the member by another member by filing with the board of directors full particulars in writing of such misconduct signed by him;

(*b*) the member charged has been furnished with a copy of the particulars at least four weeks previous to the meeting at which the resolution is to be considered; and

(*c*) an opportunity is given to the member charged to appear either personally or by counsel or his agent to make submissions at the meeting of the members called to consider the resolution expelling him.

Notice of meeting

(3) The notice calling the meeting of members shall state that the charge has been made and specify the names of the members concerned.

Refund to expelled member

(4) A member who is expelled is entitled to a refund of the amount paid on his shares and his deposits with the credit union as well as any dividends, interest or rebate of loan interest paid or payable to other members of the credit union as of the date of his expulsion on the same conditions that the board of directors have made applicable to all members of the credit union.

Representative action

42.—(1) Subject to subsection 2, a member of a credit union may maintain an action in a court of competent

jurisdiction in a representative capacity for himself and all other members of the credit union suing for and on behalf of the credit union to enforce any right, duty or obligation owed to the credit union under this Act or under any other statute or rule of law or equity that could be enforced by the credit union itself, or to obtain damages for any breach of any such right, duty or obligation.

Court order required

(2) An action under subsection 1 shall not be commenced until the member has obtained an order of the court permitting the member to commence the action.

Notice

(3) A member may, upon at least seven days notice to the credit union, apply to the court for an order referred to in subsection 2, and, if the court is satisfied that,

(*a*) the member was a member of the credit union at the time of the transaction or other event giving rise to the cause of action;

(*b*) the member has made reasonable efforts to cause the credit union to commence or prosecute diligently the action on its own behalf; and

(*c*) the member is acting in good faith and it is *prima facie* in the interests of the credit union or its members that the action be commenced,

the court may make the order upon such terms as the court thinks fit.

Costs

(4) At any time or from time to time while an action commenced under this section is pending, the plaintiff may apply to the court for an order for the payment to the plaintiff by the credit union of reasonable interim costs, including solicitor's and counsel fees and disbursements, for which interim costs the plaintiff shall be accountable to the credit union if the action is dismissed on final disposition at the trial or on appeal.

Action not to be discontinued, etc., without court approval

(5) An action commenced under this section shall not be discontinued, settled or dismissed for want of prosecution without the approval of the court and, if the court determines that the interests of the member or any class thereof may be substantially affected by such discontinuance, settlement or dismissal, the court, in its discretion, may direct that notice in manner, form and content satisfactory to the court shall be given, at the expense of the credit union or any other party to the action as the court directs, to the members or class thereof whose interests the court determines will be so affected.

DIRECTORS

First directors

43.—(1) Each of the persons named as first directors in the articles of a credit union is a director of the credit union until replaced by a person duly elected or appointed in his stead.

Idem

(2) The first directors of a credit union have all the powers and duties and are subject to all the liabilities of directors.

Election

44.—(1) Every credit union shall have a board of directors who shall be elected from its members in the manner provided in its by-laws and who shall hold office for such term as the by-laws provide and until their successors are elected.

Change in number

(2) A credit union may by by-law increase or decrease the number of its directors set out in the articles, subject to the minimum.

Voting

(3) A member entitled to vote at an election of directors, if he votes, shall cast thereat a number of votes equal to the number of directors to be elected, and the member shall distribute the votes among the candidates in such manner as he sees fit, but no candidate shall receive more than one vote from each member.

Directors to be members

45.—(1) No person shall be a director of a credit union unless he is a member thereof and of the full age of eighteen years, and, if he ceases to be a member, he thereupon ceases to be a director.

Qualifications

(2) No member shall be a director of a credit union unless he is a Canadian citizen, or is a person lawfully admitted to Canada for permanent residency who is ordinarily resident in Canada.

Conflict of interest

(3) No person shall be a director of a credit union who is a full-time employee of the credit union.

Duties of board

46.—(1) The board of directors shall manage or supervise the affairs and business of the credit union and perform such duties as prescribed by this Act, the regulations and the by-laws of the credit union.

Election in rotation

(2) The by-laws may provide for the election and retirement of directors in rotation, but in that case no director shall be elected for a term of more than three years.

Quorum

(3) A majority of the board of directors constitutes a quorum.

Continuance in office

(4) If an election of directors is not held within the prescribed period, the directors continue in office until their successors are elected.

Vacancies

(5) Where a vacancy occurs in the board and a quorum of directors remains, the directors remaining in office may appoint a qualified person to fill the vacancy until the next annual meeting of the credit union.

Where no quorum

(6) When there is not a quorum of directors in office, the director or directors then in office shall forthwith call a general meeting of the members to fill the vacancies, and, in default or if there are no directors then in office, the meeting may be called by any member.

Expulsion of directors

47.—(1) When a member of the board of directors fails to attend three consecutive meetings of the board without, in the opinion of the board, having a reasonable cause therefor or fails to perform any of the duties allotted to him as a director, his position on the board may be declared vacant by the remaining directors who may appoint a qualified person to fill the vacancy until the next annual meeting of the credit union.

Removal of directors

(2) The members may, by resolution passed by two-thirds of the votes cast at a general meeting duly called for the purpose, remove a director before the expiration of his term of office, and shall by vote cast at that meeting elect another director in his stead for the remainder of his term.

Notice

(3) The notice calling the meeting of the members referred to in subsection 2 shall specifically state that the purpose of the meeting is to remove the director who is named therein.

Right to make representations

(4) The director has the right at the meeting to make such representations to the members regarding the resolution for his removal as he thinks fit and may be represented by legal counsel or an agent.

CREDIT COMMITTEE

Credit committee

48.—(1) Subject to section 50, every credit union shall have a credit committee who shall be elected from its members in the manner prescribed by its by-laws and who shall hold office for such term as the by-laws provide and until their successors are elected.

Number of members

(2) The credit committee shall consist of the number of members fixed by the by-laws, which shall be not fewer than three.

Qualifications

(3) No person who is a member of the board of directors

or of the supervisory committee or who is an officer of the credit union shall be a member of the credit committee, except that the president may be a member of the credit committee if he is so authorized by by-law.

Age

(4) No member shall be a member of the credit committee unless he is of the full age of eighteen years.

Quorum

(5) A majority of the credit committee, not including the president, constitutes a quorum.

Voting at election

(6) A member entitled to vote at an election of members of the credit committee, if he votes, shall cast thereat a number of votes equal to the number of members of the credit committee to be elected, and the member shall distribute the votes among the candidates in such manner as he sees fit, but no candidate shall receive more than one vote from each member.

Vacancies

(7) Where a vacancy occurs in the credit committee, the board of directors may fill all vacancies until the next annual meeting of the credit union.

Election in rotation

(8) The by-laws of the credit union may provide for the election and retirement of members of the credit committee in rotation, but in that case no member of the credit committee shall be elected for a term of more than three years.

Duties

49.—(1) The credit committee shall consider all applications for loans and within the limits provided in the by-laws approve all loans to members of the credit union and perform such duties as are prescribed by this Act, the regulations and the by-laws of the credit union.

Removal of member

(2) When a member of the credit committee fails to attend three consecutive meetings without, in the opinion of the other members of the committee, having a reasonable cause therefor or fails to perform any of the duties allotted to him as a member of the committee, his position on the committee may be declared vacant by the other members of the committee who may then appoint a qualified person to fill the vacancy until the next annual meeting of the credit union.

Loan officer

50.—(1) The board of directors of a credit union may by by-law appoint one or more persons who are employees of the credit union, to act as a loan officer and perform all or such part of the duties of the credit committee as are specified by the by-law.

May supersede credit committee

(2) If the by-law provides that the person or persons so appointed shall perform all the duties of the credit committee, it shall also provide that as long as the by-law remains in force, it shall not be necessary to elect a credit committee as required by section 48 or that, as long as the by-law remains in force, the credit committee shall have only the powers of an advisory committee.

Officer to approve loan

51.—(1) The credit committee may, upon such terms and conditions as the board of directors may specify, authorize the treasurer, manager or other employee of the credit union to approve loans to a member.

Monthly report

(2) Any person authorized by the credit committee to approve loans under subsection 1 shall submit a written monthly report to the credit committee stating the number of loan applications received, the number of loans granted and the security, if any, obtained for such loans.

Duties of such persons appointed

(3) The responsibilities and duties of any person authorized to approve loans under subsection 1 is concurrent with the responsibilities and duties of the credit committee.

Credit committee reports

52. The credit committee shall hold meetings not more than three months apart, shall keep minutes of its meetings and shall,

(*a*) submit a written report to the board of directors stating the number of loan applications received, the number and category of loans granted, the security obtained for such loans together with a report on applications denied and a report on all loans that are delinquent; and

(*b*) submit a written annual report on such matters to the annual meeting of the credit union.

Removal of member

53.—(1) The members may, by resolution passed by two-thirds of the votes cast at a general meeting duly called for the purpose, remove a member of the credit committee before the expiration of his term of office, and shall by vote cast at that meeting elect another member in his stead for the remainder of his term.

(2) The notice calling the meeting of members referred to in subsection 1 shall specifically state that the purpose of the meeting is to remove the member of the credit committee who is named therein. Notice

(3) The member of the credit committee has the right to make such representations at the meeting regarding the resolution for his removal as he thinks fit, and may be represented by legal counsel or an agent. Right to make representations

SUPERVISORY COMMITTEE

54.—(1) Subject to section 58, every credit union shall have a supervisory committee who shall be elected from its members in the manner prescribed in its by-laws and shall hold office for such term as the by-laws provide and until their successors are elected. Supervisory committee

(2) The supervisory committee shall consist of the number of members fixed by the by-laws, which shall be not fewer than three. Composition

(3) No person who is a member of the board of directors or credit committee or who is an officer of the credit union shall be a member of the supervisory committee. Qualifications

(4) No member shall be a member of the supervisory committee unless he is of the age of eighteen years. Age

(5) A majority of the supervisory committee constitutes a quorum. Quorum

(6) A member entitled to vote at an election of members of the supervisory committee, if he votes, shall cast thereat a number of votes equal to the number of members of the supervisory committee to be elected, and the member shall distribute the votes among the candidates in such manner as he sees fit, but no candidate shall receive more than one vote from each member. Voting at election

(7) Where a vacancy occurs in the supervisory committee, the board of directors may fill all vacancies until the next annual meeting of the credit union. Vacancies

(8) The by-laws of the credit union may provide for the election and retirement of members of the supervisory committee in rotation, but in that case no member shall be elected for a term of more than three years. Election in rotation

55.—(1) The supervisory committee shall examine the books of the credit union, confirm the cash instruments, property and securities of the credit union and confirm the deposits of the members and perform such other duties as Duties

are prescribed by this Act, the regulations and the by-laws of the credit union.

Idem

(2) When a member of the supervisory committee fails to attend three consecutive meetings of the committee without, in the opinion of the supervisory committee, having a reasonable cause therefor, or fails to perform any of the duties allotted to him as a member of the committee, his position on the committee may be declared vacant by the remaining members of the committee who may appoint a qualified person to fill the vacancy until the next annual meeting of the credit union.

Clerks

(3) The supervisory committee may appoint such persons as it considers necessary to assist it in performing its duties, but the remuneration to be paid to such persons is subject to the approval of the board of directors.

Duty when misappropriation, etc.

56.—(1) When the supervisory committee is of the opinion that the funds, securities or other property of the credit union have been misappropriated or misdirected, or in the event that the by-laws of the credit union, this Act or the regulations have been contravened by the board of directors, the credit committee or a member thereof or an officer or employee engaged by the board of directors, the supervisory committee shall forthwith advise the Director and the Ontario Share and Deposit Insurance Corporation in writing.

Audit

(2) The supervisory committee shall appoint an auditor or auditors or a league to assist it in determining whether any of the funds, securities or other property of the credit union have been misappropriated or misdirected and the remuneration of any auditor or league so appointed shall be paid by the credit union and determined by the supervisory committee.

Suspension

(3) In the event of a misappropriation or misdirection or a suspected misappropriation or misdirection as referred to in subsection 1, the supervisory committee may suspend any member of the board of directors or credit committee or any officer or employee without the holding of a general meeting and may appoint another person to perform the duties of the person so suspended, until a new member is duly elected or a new officer or employee appointed.

Meeting of members

(4) The supervisory committee shall forthwith give notice of a general meeting of the members to be held within fourteen days after the suspension under subsection 3.

(5) The supervisory committee shall report to the general meeting all the circumstances of any misappropriation or misdirection of funds, securities or other property and the reasons for any suspension, and the members of the credit union may, by resolution, dismiss from office any person so suspended, and, when the members of the credit union do not so vote to dismiss from office any person so suspended, that person shall be reinstated forthwith. Idem

57.—(1) The supervisory committee shall not meet less frequently than every three months, and, where no auditor has been appointed, shall meet at least every month, and shall at each such meeting examine the affairs of the credit union. Meetings

(2) The supervisory committee shall keep minutes of its meetings and shall, Report of minutes

(*a*) within seven days of each meeting report the results thereof in writing to the board of directors; and

(*b*) submit a written report to the annual meeting of the members of the credit union.

58.—(1) A credit union may, by by-law, provide for the appointment of an auditor or auditors in addition to or substitution for the supervisory committee and may delegate to such auditor or auditors such part of the duties of the supervisory committee as the by-law provides. Auditors

(2) The board of directors of the credit union may fix the remuneration of the auditor or auditors. Remuneration of auditors

(3) Where a credit union has passed a by-law under subsection 1 appointing an auditor or auditors to perform the duties of the supervisory committee, the by-law may further delegate the remaining powers and duties of the supervisory committee to the board of directors and so long as such by-law remains in force no supervisory committee shall be elected as required by section 54. Delegation of powers to board of directors

59.—(1) The members may, by resolution passed by two-thirds of the votes cast at a general meeting duly called for the purpose, remove a member of the supervisory committee before the expiration of his term of office, and shall by vote cast at that meeting elect another member in his stead for the remainder of his term. Removal of members

(2) The notice calling the meeting of members referred to in subsection 1 shall state that the purpose of the meeting Notice

is to remove the member of the supervisory committee who is named therein.

Right to make representations

(3) The member of the supervisory committee has the right to make such representations to the members regarding the resolution for his removal as he thinks fit, and may be represented by legal counsel or an agent.

OFFICERS

Officers

60.—(1) A credit union shall have a president and secretary and such other officers as are provided for by by-law.

Idem

(2) The board of directors shall elect the president from among themselves.

Remuneration of officers

(3) All payments to officers of a credit union for services rendered shall be approved by its board of directors.

Idem

(4) No officer or employee shall be paid or compensated on any basis that would relate such payment or compensation to the profits of the credit union or to an increase in the assets of the credit union.

Bond on certain officers and employees

61.—(1) Every officer or employee engaged by the board of directors of a credit union who receives or has charge of money shall, before assuming the duties of his office, furnish a bond for the due accounting of moneys received by him and the faithful performance of his duties with such sureties and in such form and amount as the board of directors may determine.

Minimum amount of bond

(2) The Lieutenant Governor in Council may make regulations prescribing the minimum amount of any bond to be provided under subsection 1.

AUDITORS AND FINANCIAL STATEMENTS

Appointment of auditors

62.—(1) The members of a credit union having combined paid-in capital and deposits of more than $500,000 and a credit union permitted to operate with negotiable orders shall,

(*a*) at their first general meeting appoint one or more auditors to hold office until the close of the first annual meeting and, if the members fail to do so, the board of directors shall forthwith make such appointment or appointments; and

(*b*) at each annual meeting appoint one or more auditors to hold office until the close of the next annual meeting and, if an appointment is not so made, the auditor in office continues in office until a successor is appointed.

Idem

(2) The members of any other credit union may appoint an auditor.

Casual vacancy

(3) The board of directors may fill any casual vacancy in the office of auditor, but, while such vacancy continues, the surviving or continuing auditor, if any, may act.

Removal of auditors

(4) The members may, by resolution passed by a majority of the votes cast at a general meeting duly called for the purpose, remove an auditor before the expiration of his term of office, and shall by a majority of the votes cast at that meeting appoint another auditor in his stead for the remainder of his term.

Notice to auditor

(5) Before calling a general meeting for the purpose specified in subsection 4, the credit union shall, fifteen days or more before the mailing of the notice of the meeting, give to the auditor,

(*a*) written notice of the intention to call the meeting, specifying therein the date on which the notice of the meeting is proposed to be mailed; and

(*b*) a copy of all material proposed to be sent to members in connection with the meeting.

Right to make representations

(6) The auditor has the right to make to the credit union three days or more before the mailing of the notice of the meeting, representations in writing concerning his proposed removal as auditor, and the credit union, at its expense, shall forward with the notice of the meeting a copy of such representations to each member entitled to receive notice of the meeting.

Appointment by the director

(7) If for any reason no auditor is appointed, under subsection 1, the Director may require that the board of directors appoint one or more auditors to hold office until the close of the next annual meeting and the board shall establish the remuneration to be paid by the credit union for his or their services.

Notice of appointment

(8) The credit union shall give notice in writing to an auditor of his appointment forthwith after the appointment is made.

Notice of intention

(9) A person, other than an incumbent auditor, may not be appointed auditor at an annual meeting unless notice of an intention to nominate that person to the office of auditor has been given by a member to the credit union not less than fifteen days before the mailing of the notice of the meeting at which the auditor is to be appointed, and, where such notice is given, the credit union shall send a copy of the notice to the incumbent auditor and to the person whom it is intended to nominate and shall give notice thereof to the members of the credit union.

Right to make representations

(10) The incumbent auditor has the right to make to the credit union, three days or more before the mailing of the notice of the meeting representations in writing concerning the proposal not to reappoint him as auditor, and the credit union, at its expense, shall forward with the notice of the meeting, a copy of such representations to each member entitled to receive notice of the meeting.

Persons disqualified as auditors

63.—(1) No person shall be appointed or act as the auditor of a credit union who is a director, officer, or employee of the credit union, or a member of the credit committee or supervisory committee thereof, or who is a partner, employer or employee of any such director, member, officer or employee, or who is a related person to any director or officer of the credit union or to a member of the credit committee or supervisory committee thereof.

Auditors not to be appointed receivers

(2) No person shall be appointed a receiver or a receiver and manager or liquidator of any credit union of which he or any partner or employer of or a related person to him is the auditor or has been the auditor within the two years preceding his appointment as receiver and manager or liquidator.

Trustee in bankruptcy not to be auditor
R.S.C. 1970, c. B-3

(3) No person who is appointed a trustee of the estate of a credit union under the *Bankruptcy Act* (Canada) or any partner or employer of or a related person to him shall be appointed or act as auditor of the credit union.

Annual audit

64.—(1) The auditor shall make such examination as will enable him to report to the members of the credit union as required by subsection 2.

Auditor's report

(2) The auditor shall make a report to the members of the credit union on the financial statement to be placed before the members at its annual meeting in accordance with section 71, and shall state in his report whether in his opinion the financial statement referred to therein presents fairly the financial position of the credit union and the results of its operations for the period under review in

accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding period, if any.

Auditor's statement

(3) The auditor shall also report that his examination was made in accordance with generally accepted auditing standards and that accordingly it included such tests and other procedures as he considered necessary in the circumstances.

Qualified report

(4) When the report under subsection 2 does not contain the unqualified opinion required thereby, the auditor shall state in his report the reasons therefor.

Facts discovered after statement

(5) Where facts come to the attention of the officers or board of directors which, if known prior to the date of the last annual meeting of members, would have required a material adjustment to the financial statement presented to such meeting, the officers or board shall communicate such facts to the auditor who reported to the members under this section and the board shall forthwith amend the financial statement and send it to the auditor.

Amendment of auditor's report

(6) On the receipt of facts furnished under subsection 5 or from any other source, the auditor shall, if in his opinion it is necessary, amend his report in respect of the financial statement in accordance with subsection 4 and the board of directors or, if they fail to do so within a reasonable time, the auditor shall mail the amended report to the members.

Right of access

(7) The auditor of a credit union has right of access at all times to all records, documents, accounts and vouchers of the credit union and is entitled to require from the board of directors, officers, employees and members of the credit committee or the supervisory committee of the credit union such information and explanation as in his opinion are necessary to enable him to report as required by subsection 2.

Right to attend meetings

(8) The auditor of a credit union is entitled to attend any meeting of members of the credit union and to receive all notices and other communications relating to any such meeting that a member is entitled to receive, and to be heard at any such meeting that he attends on any part of the business of the meeting that concerns him as auditor.

Member's right to require auditor's attendance

(9) Any member of a credit union who is entitled to vote at meetings of members, may, by notice in writing to the credit union given five days or more before any meeting of

members, require the attendance of the auditor at such meeting at the credit union's expense, and in such event the auditor shall attend the meeting.

Auditor to answer inquiries

(10) At any meeting of members, the auditor, if present, shall answer inquiries directed to him concerning the basis upon which he formed the opinion stated in the report made under subsection 2.

OFFICERS—GENERAL

Standards of care

65. Every director, officer, member of a supervisory committee and member of a credit committee of a credit union shall exercise the powers and discharge the duties of his office honestly, in good faith and in the best interests of the credit union, and in connection therewith shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Validity of acts of officers and directors

66. An act done by a director, member of the supervisory committee, member of the credit committee or officer of a credit union is not invalid by reason only of any defect that is thereafter discovered in his appointment, election or qualification.

Liability

67. The liability imposed by this Act upon a director, member of the credit committee, member of the supervisory committee, officer of a credit union or any person authorized to approve loans under section 51 is in addition to any other liability that is by law imposed upon him.

Indemnity

68.—(1) Subject to subsection 2, the by-laws of the credit union may provide that every director, credit committee member, supervisory committee member or officer may from time to time be indemnified and saved harmless by the credit union from and against,

(*a*) any liability and all costs, charges and expenses that he sustains or incurs in respect of any action, suit or proceeding that is proposed or commenced against him or in respect of anything done or permitted by him in respect of the execution of the duties of his office; and

(*b*) all other costs, charges and expenses that he sustains or incurs in respect of the affairs of the credit union.

Idem

(2) The credit union shall not indemnify any person under subsection 1 in respect of any liability, costs, charges or expenses that he sustains or incurs in or about any action,

suit or other proceeding as a result of which he is adjudged to be in breach of any duty or responsibility imposed upon him by this Act or any other statute unless, in an action brought against him in his capacity of director, credit committee member, supervisory committee member or officer, he has achieved complete or substantial success as a defendant.

Insurance

(3) A credit union may purchase and maintain insurance for the benefit of a director, credit committee member, supervisory committee member or officer thereof, except insurance against a liability, cost, charge or expense incurred as a result of a contravention of section 65.

Disclosure of interest in contracts

69.—(1) Every director, officer, credit committee member or supervisory committee member of a credit union who has, directly or indirectly, any interest in any contract or transaction to which the credit union is or is to be a party, including services rendered in a professional or business capacity, other than a contract limited solely to his remuneration for holding office, or who is, directly or indirectly, the beneficiary of any consideration or benefit as a result of any such contract or transaction to which the credit union is or is to be a party, shall declare his interest in such contract or transaction and the amount of any consideration or benefit of which he is the direct or indirect beneficiary at a meeting of the board of directors, credit committee or supervisory committee, as the case may be, and shall at that time disclose the nature and extent of such interest, to the extent to which such information is within his knowledge or control, and shall not vote and shall not in respect of such contract or transactions be counted in the quorum.

Time for disclosure

(2) The disclosure required by subsection 1 shall be made at the earliest possible meeting after the director, credit committee member or supervisory committee member becomes aware of the potential conflict of interest.

Effect of declaration

(3) If a director, officer, credit committee member or supervisory committee member has made a declaration and disclosure of his interest in a contract or a transaction in compliance with this section and has not voted in respect of the contract or transaction at the meeting at which it was considered and was acting honestly and in good faith at the time the contract or transaction was entered into, he is not by reason only of his holding office accountable to the credit union or to its members for any profit or gain realized from the contract or transaction, and the contract or transaction, if it was in the best interest of the credit union, is not voidable by reason only of his interest therein.

Confirmation by members

(4) Notwithstanding anything in this section, a director, officer, credit committee member or supervisory committee member, if he was acting honestly and in good faith, is not accountable to the credit union or to its members for any profit or gain realized from such contract or transaction by reason only of his holding office, and the contract or transaction, if it was in the best interest of the credit union at the time it was entered into is not by reason only of his interest therein voidable,

(*a*) if the contract or transaction is confirmed or approved by at least two-thirds of the votes cast at a general meeting of the members duly called for that purpose; and

(*b*) if the nature and extent of the interest in the contract or transaction are declared and disclosed in reasonable detail in the notice calling the meeting.

MEETINGS

Notice of meetings

70.—(1) Notice of the time and place for holding a meeting of the members of a credit union shall be given in accordance with the by-laws of the credit union, but in no event shall notice be given later than seven days before the date of the meeting or earlier than fifty days before the date of the meeting.

Idem

(2) Notice of any meeting at which directors are to be elected shall contain the information disclosed by a director under subsection 1 of section 69.

Idem

(3) Notice of a meeting shall be given to each member of a credit union who on the record date for notice appears on the records of the credit union as a member by,

(*a*) sending the notice by prepaid mail to his latest address as shown on the records of the credit union;

(*b*) delivering the notice to him at his place of employment; or

(*c*) publishing the notice in a newspaper which circulates in the community in which the head office of the credit union is located.

Chairman

(4) The president, or in his absence, a vice-president who is a director, shall preside as chairman at a meeting of members, but if there is no president or such a vice-president, or if at a meeting neither of them is present

within fifteen minutes after the time appointed for the holding of the meeting, the members present shall choose a person from among their number to be the chairman.

Annual meeting

71.—(1) The first and every successive meeting of a credit union shall be held at such time and place in Ontario as its by-laws provide, and, in default of provisions in that behalf, the annual meeting shall be held at its head office within 120 days of the year end of the credit union.

Business to be dealt with

(2) At such meeting, the board of directors shall place before the members,

(*a*) financial statements showing matters prescribed by the regulations relating separately to,

(i) the period that commenced on the date the credit union came into existence and ended not more than four months before the annual meeting or, if the credit union has completed a financial year, the period that began immediately after the end of the last completed financial year and ended not more than four months before the annual meeting, and

(ii) the period covered by the financial year next preceding such latest completed financial year, if any;

(*b*) the report of the supervisory committee, if any;

(*c*) the report of the auditor, if any; and

(*d*) such further information respecting the financial position of the credit union and the results of its operations as its by-laws require.

Report of supervisory committee

(3) The report of the supervisory committee, if any, to the members shall be read at the annual meeting and shall be open to inspection at the meeting by any member.

Report of auditor

(4) The report of the auditor, if any, to the members shall be read at the annual meeting and shall be open to inspection at the meeting by any member.

Approval of financial statement

(5) The board of directors of the credit union shall approve the financial statements referred to in clause *a* of subsection 2 and the approval shall be evidenced by the signature at the foot of the balance sheet of two duly authorized directors.

Distribution of financial statement

(6) The notice of the annual meeting of members shall be accompanied by a copy of the financial statements referred to in clause *a* of subsection 2 and a copy of the auditor's report, if any, or shall specify that copies of the above will be available at the meeting and copies of the above shall also be filed with the Director at least seven days before the date of the meeting.

General meetings

72. The board of directors may at any time call a general meeting of the members for the transaction of any business, the general nature of which is specified in the notice calling the meeting.

Requisition for members' meeting

73.—(1) 5 per cent of the members of a credit union may requisition the board of directors to call a general meeting of the members for any purpose that is connected with the affairs of the credit union and that is not inconsistent with this Act.

Requisition

(2) The requisition shall state the general nature of the business to be presented at the meeting and shall be signed by the requisitionists and deposited at the head office of the credit union and may consist of several documents in like form, each signed by one or more requisitionists.

Duty of directors to call meeting

(3) Upon deposit of the requisition, the board of directors shall forthwith call a general meeting of the members for the transaction of the business stated in the requisition.

When requisitionists may call meeting

(4) If the board of directors do not within twenty-one days from the date of the deposit of the requisition call the meeting, any of the requisitionists may call the meeting, which shall be held within sixty days from the date of the deposit of the requisition.

Calling of meeting

(5) A meeting called under this section shall be called as nearly as possible in the same manner as meetings of members are called under the by-laws, but, if the by-laws provide for more than twenty-one days notice of meetings, twenty-one days notice is sufficient for the calling of the meeting.

Repayment of expenses

(6) The credit union shall,

(*a*) reimburse all or any of the requisitionists for any reasonable expenses incurred by them by reason of the action taken by them under subsection 4; and

(*b*) retain out of any moneys due or to become due, by way of fees or other remuneration for their services, to such of the board of directors as were in default, an amount equal to the amount the requisitionists

were reimbursed, unless, at the meeting, the members by a majority of the votes cast reject the reimbursement of the requisitionists.

Annual statement to be given to members

74. Every credit union shall without charge supply to every member upon application therefor or as provided by its by-laws, a copy of its last comparative financial statement.

Inspection of books

75.—(1) Except as provided in this Act, no member or other person has any right to inspect the books of a credit union.

Idem

(2) Any member or other person having an interest in the funds of a credit union may inspect his own account and the books containing the names of the members at all reasonable hours at its head office or at whatever other place they are kept, subject to such conditions as to time and manner of inspection as the by-laws may prescribe.

As to loan or deposit accounts of members

(3) A credit union may by by-law authorize the inspection of any of its books therein mentioned, in addition to the books containing the names of members, under such conditions as are thereby prescribed, and no person, unless he is an officer of the credit union or is specifically authorized by a resolution thereof, has the right to inspect the loan or deposit account of any other member without such other member's written consent.

Branch meetings

76.—(1) A credit union may establish a branch or branches subject to such terms and conditions as are prescribed by the regulations and the branch may, by by-law, provide for the holding of meetings of the members who belong thereto.

Delegates

(2) Where a by-law under subsection 1 is in force, the members of a branch shall elect delegates, by special resolution, to represent the members at the annual or general meeting of the credit union, and the delegates so elected shall exercise the powers of the members of the branch at all meetings of the credit union and the members represented by such delegates are not entitled to vote at the meeting of the credit union.

Number and votes

(3) The number of delegates and votes allowed each branch at the meeting of the credit union shall be specified by the by-laws of the credit union, as well as the time, place and manner of calling a branch meeting, the number of members of the branch that constitute a quorum and the procedure to be followed in the conduct of the branch meeting.

Majority

(4) The required majority vote for deciding each issue to be voted on at the branch meeting shall be the same as that required for deciding such issues at meetings of the entire membership of the credit union as specified in this Act, the regulations and the by-laws of the credit union.

DIVIDENDS

Dividends

77. Subject to the by-laws, the board of directors may declare, and the credit union may pay, a dividend on the amounts paid in on shares held by members at any time during the fiscal year and may, at their discretion, declare rebates of interest paid by members in respect of loans during that fiscal year.

When dividend not to be declared

78.—(1) The board of directors shall not declare and the credit union shall not pay any dividend when the credit union is insolvent, or any dividend the payment of which renders the credit union insolvent or that diminishes its capital.

Directors' joint and several liability

(2) The directors who vote in favour of or consent to the resolution authorizing the declaration of a dividend are jointly and severally liable to the credit union to the extent of the amount of the dividend so declared and paid or such part thereof as renders the credit union insolvent or diminishes its capital.

Exoneration

(3) If any director present at the meeting at which such dividend is declared, forthwith, or if any director then absent, within twenty-four hours after he becomes aware of the dividend and is able to do so, delivers or sends to the credit union by registered mail his protest against the dividend, and within eight days thereafter, sends a copy thereof to the Director, the director thereby and not otherwise exonerates himself from liability.

INVESTMENTS

Investments

79.—(1) A credit union may lend or invest its funds in,

government securities

(*a*) the bonds, debentures, stocks or other evidences of indebtedness issued or guaranteed by the government of Canada, or of a province or territory of Canada;

municipal securities

(*b*) the bonds, debentures or other evidences of indebtedness issued or guaranteed by a municipal corporation in Canada, or by a school or religious corporation in Canada, or secured by rates or taxes levied under the authority of the government of a province of Canada on property situate in such

province and collectable by the municipalities in which such property is situate;

(*c*) the bonds, debentures or other evidences of indebtedness issued by an authority or other body established and empowered pursuant to the law of Canada or any province thereof to administer, regulate the administration of, provide or operate port, harbour, airport, bridge, highway tunnel, transportation, communication, sanitation, water, electricity or gas services or facilities and, for any of these purposes, to levy, impose or fix taxes, rates, fees or other charges; revenue bonds

(*d*) the bonds, debentures or other evidences of indebtedness issued by a corporation that are fully secured by a mortgage, charge or hypothec to a trustee, or to the credit union upon any, or upon any combination, of the following assets, bonds, etc., secured by mortgage

(i) improved real estate or leasehold,

(ii) the plant or equipment of a corporation that is used in the transaction of its business, or

(iii) bonds, debentures or other evidences of indebtedness or shares, of a class authorized by this subsection, as investments, or cash balances, if such bonds, debentures or other evidences of indebtedness, shares or cash balances are held by a trustee,

and the inclusion, as additional security under the mortgage, charge or hypothec, of any other assets not of a class authorized by this Act as investments shall not render such bonds, debentures or other evidences of indebtedness ineligible as an investment;

(*e*) obligations or certificates issued by a trustee to finance the purchase of transportation equipment for a corporation incorporated in Canada to be used on railways or public highways, if the obligations or certificates are fully secured by, equipment trust certificates

(i) an assignment of the transportation equipment to, or the ownership thereof by, the trustee, and

(ii) a lease or conditional sale thereof by the trustee to the corporation;

debentures

(*f*) the bonds, debentures or other evidences of indebtedness issued or guaranteed by,

(i) a corporation if, at the date of investment, the preferred shares or the common shares of the corporation are authorized as investments by clause *h* or *i*,

(ii) a corporation, if its earnings in a period of five years ended less than one year before the date of investment have been equal in sum total to at least ten times and in each of any four of the five years have been equal to at least one and one-half times the annual interest requirements at the date of investment on all indebtedness of or guaranteed by it, other than indebtedness classified as a current liability in its balance sheet, and, if the corporation at the date of investment owns directly or indirectly more than 50 per cent of the common shares of another corporation, the earnings of the corporations during the said period of five years may be consolidated with due allowance for minority interests, if any, and in that event the interest requirements of the corporation shall be consolidated and such consolidated earnings and consolidated interest requirements shall be taken as the earnings and interest requirements of the corporation, and, for the purpose of this subclause, "earnings" means earnings available to meet interest charges on indebtedness other than indebtedness classified as a current liability;

guaranteed investment certificates

(*g*) guaranteed investment certificates issued by a trust company incorporated in Canada if, at the date of investment, the preferred shares or the common shares of the trust company are authorized as investments by clause *h* or *i*;

preferred shares

(*h*) the preferred shares of a corporation if,

(i) the corporation has paid a dividend in each of the five years immediately preceding the date of investment at least equal to the specified annual rate upon all of its preferred shares, or

(ii) the common shares of the corporation are, at the date of investment, authorized as investments by clause *i*;

(*i*) the fully paid common shares of a corporation that during a period of five years that ended less than one year before the date of investment has either, common shares

(i) paid a dividend in each such year upon its common shares, or

(ii) had earnings in each such year available for the payment of a dividend upon its common shares,

of at least 4 per cent of the average value at which the shares were carried in the capital stock account of the corporation during the year in which the dividend was paid or in which the corporation had earnings available for the payment of dividends, as the case may be;

(*j*) ground rents, mortgages, charges or hypothecs on real estate or leaseholds in Ontario, but the amount paid for the mortgage, charge or hypothec together with the amount of indebtedness under any mortgage, charge or hypothec on the real estate or leasehold ranking equally with or prior to the mortgage, charge or hypothec in which the investment is made shall not exceed three-quarters of the value of the real estate or leasehold covered thereby; Mortgages, etc.

(*k*) mortgages or charges on improved real estate or leaseholds in Ontario notwithstanding that the mortgage or charge exceeds the amount that the credit union is otherwise authorized to invest if the excess is insured or guaranteed by the government of Canada or Ontario or by an agency of the government of Canada or Ontario or by a policy of mortgage insurance issued by an insurance company licensed under *The Insurance Act* for such class of insurance; guaranteed mortgages R.S.O. 1970, c. 224

(*l*) real estate or leaseholds for the production of income in Canada either alone or jointly with any other credit union or with any loan corporation or trust company incorporated in Canada, if, real estate or leaseholds for the production of income

(i) a lease of the real estate or leasehold is made to, or guaranteed by,

(A) the Government of Canada and its territories or of a province, or municipality thereof, or

(B) a corporation, the preferred shares or common shares of which are, at the

date of investment, authorized as investments by clause *h* or *i*,

(ii) the lease provides for a net revenue sufficient to yield a reasonable interest return during the period of the lease and to repay at least 85 per cent of the amount invested in the real estate or leasehold within the period of the lease but not exceeding thirty years from the date of investment, and

(iii) the total investment of a credit union in any one parcel of real estate or in any one leasehold does not exceed 2 per cent of the book value of the total assets of the credit union,

and the credit union may hold, maintain, improve, lease, sell or otherwise deal with or dispose of the real estate or leasehold;

other real estate or leaseholds for the production of income

(*m*) real estate or leaseholds for the production of income in Canada either alone or jointly with any other credit union or with any loan corporation or trust company incorporated in Canada, if,

(i) the real estate or leasehold has produced, in each of the three years immediately preceding the date of investment, net revenue in an amount that, if continued in future years, would be sufficient to yield a reasonable interest return on the amount invested in the real estate or leasehold and to repay at least 85 per cent of that amount within the remaining economic lifetime of the improvements to the real estate or leasehold but not exceeding forty years from the date of investment, and

(ii) the total investment of a credit union in any one parcel of real estate or in any one leasehold does not exceed 2 per cent of the book value of the total assets of the credit union,

and the credit union may hold, maintain, improve, lease, sell or otherwise deal with or dispose of the real estate or dispose of the real estate or leasehold;

mutual funds

(*n*) in the fully paid shares or units of any mutual fund or corporation incorporated to offer public participation in an investment portfolio subject to such terms and conditions as may be prescribed by the Lieutenant Governor in Council.

(2) Notwithstanding clauses *k*, *l* and *m* of subsection 1, a credit union may invest to an aggregate amount not exceeding 5 per cent of its unimpaired capital, deposits and reserves, in any other classes or types of investments, including mortgages or charges, the purchase of land, the improvement thereof, the construction of buildings thereon, and the management and disposal of such lands and buildings. Idem

80. The following restrictions, limitations and prohibitions apply to credit unions in the exercise of their investment policies under this Act, Investment restrictions

(*a*) a credit union shall not invest any of its funds in bonds, debentures or other evidences of indebtedness on which the payment of principal or interest is in default;

(*b*) a credit union shall not act as an underwriter in connection with the purchase or sale of any securities or other property of any kind;

(*c*) except as to securities issued or guaranteed by the Government of Canada or the government of a province of Canada, a credit union shall not invest in any one security or make a total investment in any one corporation that is not a credit union or a league, either by the purchase of shares or other securities of such corporation or by lending to it on the security of its debentures or other assets or any part thereof, of more than 10 per cent of the book value of the total assets of the credit union;

(*d*) a credit union shall not make any investment the effect of which will be that it will hold more than 30 per cent of the common shares or 30 per cent of the total issued shares of any one corporation;

(*e*) the total book value of the investments of a credit union in common shares shall not exceed 5 per cent of the book value of the total assets of the credit union;

(*f*) the total book value of the investments of a credit union in real estate or leaseholds for the production of income shall not exceed 10 per cent of the book value of the total assets of the credit union;

(*g*) a credit union shall not make any investment in or loan to another credit union an amount in excess of 1 per cent of its unimpaired capital, deposits and surplus without the written approval of the Director; and

(*h*) a credit union shall not invest in the shares of a corporation that is a member of the credit union.

Loans and deposits

81.—(1) Subject to paragraphs 3 and 4 of subsection 2 of section 11, no credit union shall advance money by discount, loan or otherwise to, or accept deposits from, persons other than its members.

Limitation on interest

(2) Interest, together with all the costs of borrowing including bonuses, premiums and penalties shall not exceed such amount as is prescribed by the regulations.

Loans to officers

(3) No credit union shall lend to an officer or member of a committee or of the board of directors of the credit union an amount in excess of the aggregate of fully paid up shares and deposits of such member unless such loan is approved by the credit committee, the board of directors, and the supervisory committee.

Limitations on loans to members

(4) No credit union shall lend to a member an amount that is in excess of 10 per cent of the aggregate of its capital, members' deposits and surplus, or such lesser percentage as may be prescribed in the by-laws of the credit union.

Limitations on loans to unincorporated members

(5) No credit union shall lend to a member who is an unincorporated association unless such loan is approved by the credit committee, the supervisory committee and the board of directors.

Loans to corporate and partnership members

82.—(1) A credit union may make loans to corporations and partnerships who are members of the credit union in an aggregate not exceeding the greater of,

(*a*) 7 per cent of the credit union's unimpaired capital, deposits and surplus; or

(*b*) such percentage as the Director may approve, not in excess of 15 per cent of the unimpaired capital deposits and surplus of the credit union;

and such loans must be fully secured in the manner provided by the regulations.

Loans to unincorporated members

(2) A credit union may make secured loans to unincorporated associations who are members in aggregate not exceeding 1 per cent of the credit union's unimpaired share capital.

Loans to individuals

(3) A credit union may make loans to members who are individuals on such terms as are provided for in the by-laws.

83. A credit union may make loans to its members by way of mortgage, charge or hypothecation on a term not exceeding five years, subject to renegotiation, and, Mortgage loans to members

(*a*) The maximum amount that may be loaned by way of mortgage, subject to any limitation in the by-laws of the credit union, shall not exceed,

(i) three-quarters of the value of the real estate to which the mortgage or charge relates unless the excess over three-quarters of the value of the real estate to which the mortgage or charge relates is insured or guaranteed by the government of Canada, or Ontario or by an agency thereof, or by a policy of mortgage insurance issued by an insurance company licensed under *The Insurance Act* for such class of insurance, R.S.O. 1970, c. 224

(ii) in the case of a second mortgage, the balance owing on the first mortgage shall be taken into account in meeting the requirements referred to in subclause i; and

(*b*) the mortgage shall contain a definitive provision for repayment which will result in the principal and interest being fully repaid within twenty-five years or such longer period of time as the regulations may prescribe,

but if the credit union becomes an approved lender for the purpose of making loans under the *National Housing Act*, the provisions of that Act apply to mortgage loans undertaken by the credit union under that Act. R.S.C. 1970, c. N-10

84. A credit union may make guaranteed loans under and in accordance with the provisions of the *Canada Student Loans Act* (Canada), the *Farm Improvement Loans Act* (Canada) or the *Fisheries Improvement Loans Act* (Canada) and such other Act as may be designated by the regulations. Student loans R.S.C. 1970, cc. S-17, F-3, F-22

85.—(1) The credit committee may approve an extension of credit for a member by way of contract loans and advances may be made to such member from time to time within the limits of the approved extension of credit. Loans and advances

(2) The credit committee shall review all extensions of credit and an extension of credit expires if the member becomes more than ninety days in default of any repayment. Review

Contract loans

(3) An extension of credit by way of contract loan is a loan within the meaning of this Act.

Directors, etc., not to guarantee loans

86. No director, member of a credit committee, member of a supervisory committee or credit union officer or employee shall cosign, endorse, or act as a guarantor for any borrower from the credit union unless such loan was made to a related person and approved in the manner provided in section 81.

Postponement or renegotiation of loans

87. The credit committee of a credit union may in its discretion,

(*a*) upon receipt of a written request from a borrower or his cosigner, postpone the due date for the repayment of any one or more instalments of the principal of the loan or any part of an instalment or postpone the due date for the payment of any one or more payments of interest on the loan or any part of a payment, or both, and fix due dates accordingly;

(*b*) upon being satisfied that a loan is reasonably secure, authorize the release or substitution of any security or securities, in whole or in part, taken to secure a loan from the credit union to a member; and

(*c*) renegotiate a loan from the credit union to a member upon new terms in the event the circumstances of the borrower have changed.

Disposal of authorized investments

88.—(1) The Director may order a credit union to dispose of and realize any of its investments not made or held in accordance with this Act, the regulations or the by-laws and the credit union shall within sixty days after receiving the order absolutely dispose of and realize such investments, and, if the amount realized therefrom falls below the amount paid by the credit union for the investments, the board of directors of the credit union are jointly and severally liable for the payment to the credit union of any deficiency.

Exoneration

(2) If any director present at the meeting at which an investment to which subsection 1 applies is authorized, forthwith, or if any director then absent, within fourteen days after he becomes aware of the investment and is able to do so, delivers or sends to the credit union by registered mail his protest against the investment, and within thirty days thereafter, sends a copy thereof by registered mail to the Director, the director thereby and not otherwise exonerates himself from liability.

89.—(1) The Director may order a credit union to call any loan it has made not authorized by this Act, the regulations or the by-laws and the credit union shall within sixty days after receiving the direction call the loan, if possible, and, if within that time the full amount of the loan is not repaid, the members of the credit committee, the person or persons appointed under section 50 and the person or persons authorized under section 51 are jointly and severally liable for the payment to the credit union of any deficiency upon the maturity of the loan. Call of unauthorized loans

(2) If any member of the credit committee present at the meeting at which such loan is authorized, forthwith, or if any credit committee member then absent, within fourteen days after he becomes aware of the loan and is able to do so, delivers or sends to the credit union by registered mail his protest against the loan, and, within thirty days thereafter, sends a copy thereof by registered mail to the Director, the credit committee member thereby and not otherwise exonerates himself from liability. Exoneration

90. A credit union may accept money on deposit at a specified rate of interest for a term not longer than five years. Term deposits

91.—(1) Where the combined share capital and the deposits of a credit union exceed $100,000 and it has appointed an auditor in accordance with this Act and it has an accounting system satisfactory to the Director and its board of directors has so authorized, it may, so long only as the Director approves in writing, permit its members to use negotiable orders for the withdrawal of moneys on deposit. Negotiable orders

(2) The Director may at any time revoke any approval given under subsection 1. Revocation of approval

(3) No officer or employee of a credit union shall permit any withdrawal of moneys from the deposit or share account of a member unless the amount in such deposit or share account is equal to or in excess of the amount sought to be withdrawn, and any officer or employee who contravenes this subsection is guilty of an offence under this Act. Withdrawal of money

(4) Nothing in this section curtails, abridges, defeats or otherwise affects any remedy for the recovery from a member Remedies not affected

of any amount withdrawn in excess of the amount standing to his credit in his deposit or share account.

Reserve for deposits

92.—(1) Each credit union shall at all times maintain to an aggregate of at least 10 per cent of the amount of deposits, shares and borrowings of the credit union,

(*a*) cash, including deposits with a chartered bank in Canada, a loan or trust company registered under *The Loan and Trust Corporations Act*, the Province of Ontario Savings Office or a league, providing that such deposits are callable within ninety days;

R.S.O. 1970, c. 254

(*b*) unencumbered bonds, debentures or other obligations of or guaranteed by the Government of Canada or by the government of any province or shares of a league, valued at market value;

(*c*) in the case of a credit union that is in regular receipt of deductions made from the payroll of any of its members, an amount equal to any such deductions which have been made and are in the course of being remitted; and

(*d*) the asset referred to in subsection 7 of section 111 valued in accordance with that subsection.

Idem

(2) Where the Director has given approval to a credit union under subsection 1 of section 91, the credit union shall maintain in the manner specified in subsection 1 an additional reserve equal to 10 per cent of the aggregate amount on deposit with the credit union that is withdrawable by negotiable order.

Idem

(3) Of the amount required to be maintained under subsection 1, at least 10 per cent shall be maintained in cash as provided in clause *a* of subsection 1.

Loans where reserves deficient

(4) No credit union shall make any loan or investment other than an investment authorized by clause *b* of subsection 1 until it has satisfied the requirements of subsection 1.

Regulations re reserves

93. The Lieutenant Governor in Council may make regulations prescribing further percentages of the reserves or classes of deposits or investments required to be maintained under section 92.

94.—(1) Every credit union in computing its annual net income or loss shall make full provision for, Provision for losses and accrued interest

(*a*) all doubtful loans, other doubtful receivables, and losses on investments; and

(*b*) all interest accruing on deposits.

(2) A credit union may by special resolution establish a reserve and may transfer to the reserve from undivided earnings or transfer from the reserve to undivided earnings such amounts as the board of directors may by resolution direct. Establishment of reserve

ONTARIO SHARE AND DEPOSIT INSURANCE CORPORATION

95. In sections 96 to 118, "Corporation" means the Ontario Share and Deposit Insurance Corporation. Interpretation

96.—(1) There is hereby established a corporation without share capital to be known in English as the Ontario Share and Deposit Insurance Corporation and in French as La Société Ontarienne D'Assurance des Actions et Depôts. Corporation established

(2) *The Corporations Act* does not apply to the Corporation. Application of R.S.O. 1970, c. 89

(3) The members of the Corporation shall be all credit unions incorporated in Ontario. Corporation members

97.—(1) The board of directors of the Corporation shall be appointed by the Lieutenant Governor in Council and shall consist of, Board of directors

(*a*) three persons nominated by a league that has more than fifty members and that is approved by the Lieutenant Governor in Council for the purpose of this section;

(*b*) one person nominated by a league that has fewer than fifty members and that is approved by the

Lieutenant Governor in Council for the purpose of this section; and

(*c*) three persons to represent the public and the credit unions who are not members of a league.

Chairman

(2) The board of directors shall elect or appoint from among themselves a chairman.

Functions

98.—(1) The affairs of the Corporation shall be administered by the board of directors.

Chairman to preside

(2) The chairman shall preside at all meetings of the Corporation but, where at any meeting the chairman is absent, one of the directors present thereat who is chosen so to act by the directors present shall preside and has and shall exercise the powers of the chairman.

Secretary and treasurer

(3) The board of directors may appoint a secretary and a treasurer.

Quorum

(4) A majority of the members of the board of directors constitutes a quorum.

Travelling expenses

(5) A member of the board of directors shall be paid by the Corporation out of its income all reasonable travelling and living expenses incurred by him while absent from his ordinary place of residence in the course of his duties as a director and, in addition, may be paid out of income as remuneration for his services and duties such daily or other amount as may be fixed by the board and reported to its members in its annual report.

Annual report

99.—(1) The Corporation shall within four months after the termination of each financial year transmit to its members, the Minister and the Superintendent, an annual report relating to its activities in that year including financial statements of the Corporation in the form required by section 71 and the auditor's report thereon, which shall be in accordance with sections 63 and 64.

Annual examination of the Superintendent

(2) The Superintendent shall be deemed to have an interest in the Corporation as representative of all persons who may be claimants against credit unions, and the board of directors, officers and employees of the Corporation shall from time to time furnish the Superintendent with such information and financial statements with respect to the

Corporation as the Superintendent may require, and the Superintendent shall make an annual examination and report to the Minister and the Minister shall then lay the annual report of the Corporation and report of the Superintendent before the Assembly if it is in session or, if not, at the next ensuing session.

Term of office

100. The members of the board of directors shall hold office for a term of three years commencing on the date on which they were appointed and thereafter until their successors are appointed and any casual vacancy occurring shall be filled in accordance with section 97 for the balance of the term of the director whose office became vacant.

Objects

101. The objects of the Corporation are,

(*a*) to accumulate, manage, invest, disburse and pay out a separate fund for each league and a further fund for all independent members, such funds to be accounted for separately and each fund receiving the revenues or assets and bearing all direct charges and an appropriate portion of such other charges as may be applicable to it;

(*b*) to provide, in its discretion, financial assistance, having regard to the liabilities and assets of each fund, for the purpose of assisting any credit union in the appropriate category in its continued operation or in the orderly liquidation of its operations;

(*c*) to provide, for the benefit of persons having shares or deposits with credit unions in Ontario deposit insurance against loss of part or all of such shares or deposits, by making payments to such persons to the extent and in the manner authorized by this Act.

Ancillary powers

102. The Corporation may do all things necessary or incidental to its objects and in particular, but without limiting the generality of the foregoing, the Corporation may, in furtherance of its objects,

(*a*) acquire assets from credit unions, make loans or advances to credit unions and take security therefor and guarantee loans to or deposits with credit unions;

(*b*) require the payment of levies by credit unions for the purpose of establishing and maintaining the assets of the corporation;

(*c*) assume the costs of winding up of credit unions;

(*d*) acquire assets of credit unions from a liquidator or receiver thereof;

(*e*) make an advance or grant for the purpose of paying lawful claims against credit unions in respect of any claims of their members for withdrawal of deposits or share capital and become subrogated as an unsecured creditor for the amount of such advance;

(*f*) borrow money on the credit of the Corporation or on bills of exchange or promissory notes drawn, made, accepted or endorsed by or on behalf of the Corporation and may pledge as security all or any part of the assets of the funds;

(*g*) make or cause to be made such inspections or examinations of credit unions as may be authorized under this Act;

(*h*) declare and pay dividends to its members; and

(*i*) do all such other things, not contrary to this Act, as may be necessary for the exercising of any of the powers of the Corporation.

Powers and duties of Corporation

103. The board of directors shall administer the affairs of the Corporation in all things and make, or cause to be made, for the Corporation any description of contract that the Corporation may by law enter into, and, subject to the approval of the Lieutenant Governor in Council, the Corporation may make by-laws for,

(*a*) the administration, management and control of the property and affairs of the Corporation;

(*b*) the functions, duties and remuneration of all officers, agents and employees of the Corporation;

(*c*) the appointment or disposition of any special committees from time to time created by the Corporation;

(*d*) the appointment of an auditor;

(*e*) determining the seal of the Corporation;

(*f*) the time and place for the holding of meetings of the board of directors and the procedure in all things at such meetings;

(*g*) prescribing standards of sound business and financial practices for credit unions;

(*h*) prescribing the manner in which a credit union may represent that it is a contributor to the Corporation;

(*i*) defining the expression "deposit" for the purpose of deposit insurance;

(*j*) authorizing and controlling the use by credit unions of marks, signs, advertisements or other devices indicating that deposits with credit unions are insured by the Corporation;

(*k*) the conduct in all other particulars of the affairs of the Corporation.

Powers of investigation

104. For the purposes of carrying out any investigation or inquiry authorized by this Act, the Corporation may appoint any person in writing to carry out the investigation or inquiry and the person so appointed shall be given free access to the books, records and documents of the credit union and has the powers of a commission under Part II of *The Public Inquiries Act, 1971*, which Part applies to the investigation or inquiry as if it were an inquiry under that Act.

1971, c. 49

Prohibition as to holding out insured

105.—(1) No person, other than a credit union who is a member of the Corporation, shall by any written or oral representations of any kind advertise or hold out any corporation, society or association as being insured or approved for deposit insurance by the Corporation and a person who contravenes this subsection is guilty of an offence.

Advertising

(2) No credit union shall advertise or hold out by any written or oral representation that it is insured by the Corporation otherwise than by such marks, signs, advertisements or other devices as are authorized by the by-laws of the Corporation and used in the manner and on the occasions prescribed by the by-laws and a credit union who contravenes this subsection is guilty of an offence.

Fiscal year

106. The fiscal year end of the Corporation ends on the 31st day of December in each year.

Investment of funds

107.—(1) The Corporation may, in its discretion, invest any funds not required in carrying out its objectives in the classes of securities in which a credit union may invest its

funds under section 79 and subject to the restrictions, limitations and prohibitions contained in section 80.

Idem

(2) Notwithstanding subsection 1, the Corporation shall at all times maintain more than 50 per cent of the book value of its total assets invested in,

(*a*) unencumbered debentures, bonds, stocks or other securities of or guaranteed by the Government of Canada or of or guaranteed by any province of Canada;

(*b*) the bonds, debentures or other evidences of indebtedness issued or guaranteed by a municipal corporation in Canada;

(*c*) guaranteed investment certificates issued by a trust company incorporated in Canada if, at the date of investment, the preferred or common shares of the trust company are authorized as investments under section 79;

(*d*) cash on hand or on deposit in a chartered bank or a loan or trust company registered under *The Loan and Trust Corporations Act* or a league, or the Canadian Co-operative Credit Society or other institution that is prescribed by regulation,

R.S.O. 1970, c. 254

except that not more than 20 per cent of the book value of its total assets shall at any one time be invested in any one of investments referred to in clauses *a*, *b* and *c*.

Duty to insure

108.—(1) The Corporation shall insure each deposit with a credit union, except so much of any one deposit as exceeds $20,000.

How payable

(2) Where the Corporation is obliged to make payment in respect of any deposit insured by deposit insurance, the Corporation, as soon as possible after the obligation arises, shall, in respect of such deposit, make payment to such person as appears entitled thereto by the records of the credit union with whom the deposit was made, by paying such person an amount in money equal to so much of his money as is insured by the Corporation.

Discharge of liability

(3) Payment under this section by the Corporation in respect of any deposit insured by deposit insurance discharges the Corporation from all liability in respect of that deposit and in no case is the Corporation under any obligation to see to the proper application in any way of the payment so made.

Subrogation

(4) Where the Corporation makes a payment under this section in respect of any deposit with a credit union, the Corporation is subrogated to the extent of the payment made to all the rights and interest of the depositor as against that credit union.

Insuring credit unions

109.—(1) No credit union that is carrying on business in Ontario shall accept deposits or moneys on account of shares after the coming into force of this section unless it is insured by the Corporation from and after that day in accordance with this Act and the by-laws of the Corporation.

Idem

(2) Where a credit union commences business in Ontario after the day on which this section comes into force, the deposits with the credit union shall be insured by the Corporation in accordance with this Act and the by-laws of the Corporation from and after the day the credit union commences business.

Certificate

(3) Where a credit union becomes insured with the Corporation, the Corporation shall issue to the credit union a certificate of deposit insurance in the form prescribed by the regulations.

Cancellation of deposit insurance

110.—(1) The deposit insurance of a credit union may be cancelled on not less than thirty days notice to the credit union by the Corporation when,

(*a*) the credit union is in breach of the standards of business and financial practices prescribed by the Corporation or any of conditions of a policy of deposit insurance issued to it;

(*b*) the credit union ceases to accept deposits or issue shares; or

(*c*) an order has been made under section 116 for the Corporation to take possession of the credit union.

Effect of cancellation

(2) When the deposit insurance of a credit union is cancelled by the Corporation, the deposits with the credit union on the day the cancellation takes effect, less any withdrawals from such deposits, continue to be insured for a period of two years or, in the case of a term deposit with a remaining term exceeding two years, to the maturity thereof.

Notification to depositors

(3) Where the deposit insurance of a credit union has been cancelled, the credit union shall notify its depositors of that fact and shall cease to accept deposits from the date of cancellation forward.

Public notice

(4) The Corporation may, in such manner as it considers expedient, give public notice of the cancellation of deposit insurance of a credit union if, in the opinion of the Corporation, the public interest requires that such notice be given.

Assessment from league

111.—(1) The Corporation shall assess and collect during its first year of operation from each league an amount equal to 1 per cent of the aggregate total share capital and deposits of each credit union that is a member of the league at the end of the fiscal year of the league immediately preceding the assessment and the league is entitled to recover an appropriate amount from each of its members.

Assessment from credit unions outside league

(2) The Corporation shall assess and collect during its first year of operation from every credit union that is not a member of a league an amount equal to 1 per cent of the total share capital and deposits of the credit union at the end of the fiscal year of the credit union immediately preceding the assessment.

Annual assessment

(3) The Corporation shall in each year thereafter assess and collect from, or refund to, each league and every credit union that is not a member of a league, in each year an amount equal to 1 per cent of the increase or decrease in the total share capital and deposits of the credit union.

Extra-ordinary assessment

(4) In addition to amounts collected under subsection 3, the Corporation may assess and collect from every credit union, directly or through a league, such further amount, based on the total amount of the shares and deposits of the credit union as at the end of the fiscal year immediately preceding the assessment, as the Corporation considers necessary to replace any advances or payments made by the Corporation in the exercise of its powers under this Act.

Idem

(5) For the purposes of the assessment referred to in subsection 4, the Corporation shall maintain separate funds for each league and a further fund to encompass the activities of all credit unions that do not belong to a league and each such assessment shall be fixed by the Corporation having regard to the financial position of each fund.

Assessment of debt

(6) All amounts assessed by the Corporation against a credit union or league for the purposes of this Act shall be deemed to be a debt owing to the Corporation and the amount thereof, together with any interest levied by the Corporation as an overdue charge is recoverable by action in any court of competent jurisdiction.

(7) A credit union shall charge any assessment levied under subsection 4 as an expense, but, notwithstanding subsection 6, a credit union may treat any other assessment levied under this section as an asset, the value whereof shall be adjusted from time to time in accordance with the financial position of the appropriate fund accumulated by the Corporation. Assessment to be treated as an expense

(8) Where in any year its earnings have exceeded its expenses, the Corporation may in its discretion declare a dividend to all credit unions participating in that fund of an amount not more than such excess. Dividends

(9) On the dissolution of a credit union, the Corporation shall repay to it an amount equal to its assessments paid under subsection 1, 2 or 3, adjusted in accordance with the financial position of the appropriate fund, and for this purpose the Corporation's evaluation of the financial position of the fund shall be conclusive. Replacement on dissolution

112. Notwithstanding anything in this Act, the Corporation may remit or defer the collection of any assessment made by the Corporation and upon such terms and conditions as it may direct. Repayments

113.—(1) The Corporation shall maintain an account for each fund to be known as the accumulated net earnings to which shall be credited all earnings including realized profits on the sale of securities and to which shall be charged all expenses including operating and administrative expenses, costs of examinations and inspections of credit unions, losses and specific provisions for losses and losses on sales of securities. Accumulated net earnings

(2) The accumulated net earnings for each fund shall be reported as a separate item in any statement of assets and liabilities of the Corporation and shown as an addition to or a deduction from each fund. Separate item in report

(3) Upon any credit union changing its status with respect to membership in any league, its contribution to the appropriate fund shall be transferred and the liabilities of the respective funds shall be adjusted accordingly, subject to the approval of the Superintendent after such audit of the credit union's affairs as seems necessary to the Superintendent. Adjustment of funds

114.—(1) For the purposes of the Corporation, the affairs of each credit union shall be examined by a person provided for under this section at least once in each year, and a copy Annual examination of credit unions

of such examination shall be forthwith transmitted by the examiner to the Corporation and the Director.

Idem

(2) The annual examination shall be made,

(*a*) where the credit union is a member of a league, by the league;

(*b*) where the credit union is not a member of a league, by the Director,

and the cost shall be borne by the Corporation, except that the Corporation may, in place of an examination made under clause *a* or *b*, accept the report of the annual examination of the auditor of the credit union.

Examination of leagues

(3) The Director shall make an annual examination of each league at the expense of the Corporation, and shall give a copy of his report to the Corporation.

Contents of examiner's report

115.—(1) The person examining the affairs of a credit union under section 114 shall include in the report whether or not, in his opinion, there has been any change in the circumstances of the credit union that might materially affect the financial position of the credit union and particularly, without limiting the generality of the foregoing, whether or not, in his opinion,

(*a*) the assessment return made by the Corporation and in which payment to the Corporation was based are correct;

(*b*) the operations of the credit union are being conducted in accordance with sound business and financial practices; and

(*c*) the credit union is in a satisfactory financial condition.

Idem

(2) Each report shall further state whether or not, in the opinion of the examiner under section 114, there has been any contravention of the provisions of this Act and shall be served on the credit union.

Order taking over management

116.—(1) Where the Corporation has received a report under sections 114 and 115, that the affairs of a credit union are not in a satisfactory financial condition, and has given the credit union an opportunity to be heard and after such further inquiry and investigation as the Corporation sees fit to make, the Corporation agrees with the report, the Corporation by order, shall itself or by some other person named in

the order, forthwith take possession of the property of such credit union and conduct its business and take such steps as in the Corporation's opinion may be taken toward the removal of the causes and conditions which have made such proceedings necessary, and for such purposes and without limiting the generality of the foregoing,

(*a*) the Corporation, or person named in the order, has all the powers of the board of directors of the credit union;

(*b*) the Corporation, or person named in the order, has power to exclude from the credit union its officers, directors, servants and agents from the property and business of the credit union; and

(*c*) the Corporation, or person named in the order, has power to carry on, manage and conduct the operations of the credit union and in the name of the credit union to preserve, maintain, realize, dispose of and add to the property of the credit union, to amalgamate with another credit union or to sell to another credit union all or part of its assets, subject to section 130 or 131 to receive the incomes and revenues of the credit union and to exercise all the powers of the credit union.

Idem, upon request

(2) Upon the request of a credit union, the Corporation may with respect to such credit union exercise the powers mentioned in subsection 1.

Termination of order

117. If at any time the Corporation considers that the affairs of the credit union have been placed in a satisfactory financial condition, the Corporation may return possession of the property of the credit union to it, and, upon such return, the order and the powers of the Corporation under which the Corporation took possession of the property of the credit union terminate.

Review of order

118.—(1) A credit union may apply to the Commercial Registration Appeal Tribunal for a review of any order of the Corporation under subsection 1 of section 116 within thirty days after the making of the order and the delivery of a copy thereof to an officer of the credit union.

Stay

(2) The order of the Corporation takes effect immediately, but the Tribunal may grant a stay until the review is disposed of.

Hearing

(3) The Tribunal shall fix a time and place for a hearing of the application and shall at least ten days before the day

fixed cause notice thereof to be served upon the applicant, the Corporation, the Director and any other person appearing to the Tribunal to have an interest in the application.

Parties

(4) Every person upon whom notice of the hearing is served and any other person added by the Tribunal are parties to the proceedings.

Powers of Tribunal

(5) The Tribunal shall hold the hearing and may by order direct the Corporation to take such action as the Tribunal considers proper or to refrain from taking any action specified in the order and thereupon the Corporation shall act accordingly.

Further decision

(6) Notwithstanding the order of the Tribunal, the Corporation has power to make any further reports and orders on new material or where there is a material change in the circumstances, and any such further order is subject to review under this section.

WINDING UP

Interpretation

119. In sections 120 to 128, "contributory" means a person who is liable to contribute to the property of a credit union in the event of the credit union being wound up under this Act.

Voluntary winding up

120.—(1) Where the members of a credit union by a special resolution require the credit union to be wound up, the credit union may be wound up voluntarily.

Appointment of liquidator

(2) At such meeting, the members shall appoint one or more persons, who may be directors, officers or employees of the credit union or a league, as liquidator of the estate and effects of the credit union for the purpose of winding up its affairs and distributing its property, and may at that or any subsequent general meeting fix his remuneration and the costs, charges and expenses of the winding up.

Publication of notice of winding up

(3) A credit union shall file a copy of the resolution requiring the voluntary winding up of the credit union with the Director within ten days after the resolution has been passed and shall publish a notice of the resolution in *The Ontario Gazette* within twenty days after the resolution has been passed and in a newspaper having a general circulation in the locality in which the head office of the credit union is situate.

Vacancy in office of liquidator

(4) Where in a voluntary winding up a vacancy occurs in the office of liquidator by death, resignation or other-

wise, the members by a majority of the votes cast at a general meeting called for that purpose may elect a liquidator to fill the vacancy.

Removal of liquidator

(5) The members of the credit union may by a majority of the votes cast at a general meeting called for that purpose remove a liquidator previously appointed and in such case shall appoint another liquidator in his stead.

Commencement of winding up

(6) A voluntary winding up commences at the time of the passing of the resolution requiring the winding up.

Credit union to cease undertaking

(7) Where a credit union is being wound up voluntarily, the credit union shall, from the date of the commencement of the winding up, cease to carry on its undertaking, except in so far as may be required for the beneficial winding up thereof, and notwithstanding that it may be otherwise provided by its charter or by-laws, its corporate existence and all its corporate powers continue until the affairs of the credit union are wound up.

No proceeding against credit union without leave

(8) After the commencement of a voluntary winding up, no action or other proceedings shall be commenced against the credit union and no attachment, sequestration, distress or execution shall be put in force against the estate or effects of the credit union except by leave of the court and subject to such terms as the court imposes.

Liquidator to take custody

(9) Upon his appointment, the liquidator shall take custody and control of all property, rights and privileges of the credit union or to which the credit union appears to be entitled and shall take all necessary steps to wind up the credit union.

Liquidator to file with Director

(10) Within sixty days after his appointment, the liquidator shall prepare a statement of the assets, debts and liabilities of the credit union and shall file the statement with the Director.

List of contributories and calls

(11) Upon a voluntary winding up, the liquidator,

(*a*) shall settle the list of contributories;

(*b*) may, before he has ascertained the sufficiency of the property of the credit union, call on all or any of the contributories for the time being settled on the list of contributories, to the extent of their liability, to pay any sum that he considers necessary to satisfy the liabilities of the credit union, and the costs, charges and expenses of winding up and for the

adjustment of the rights of the contributories among themselves;

(*c*) a list of contributories settled by the liquidator is admissible in evidence as *prima facie* proof of the liability of the persons named therein to be contributories.

Meetings of credit union during winding up

(12) The liquidator may, during the continuance of the voluntary winding up, call general meetings of the members of the credit union for the purpose of obtaining their approval by resolution or for any other purpose as he thinks fit.

Arrangements with creditors

(13) The liquidator, with the approval of a resolution of the members of the credit union passed in general meeting, may make such compromise or other arrangement as the liquidator thinks expedient with any creditor or person claiming to be a creditor or having or alleging that he has a claim, present or future, certain or contingent, liquidated or unliquidated, against the credit union or whereby the credit union may be rendered liable.

Power to compromise with debtors and contributors

(14) The liquidator may, with the approval of a resolution of the members of the credit union passed in general meeting, compromise all debts and liabilities capable of resulting in debts and all claims, whether present or future, certain or contingent, liquidated or unliquidated, subsisting or supposed to subsist between the credit union and any contributory, alleged contributory or other debtor or person who may be liable to the credit union and all questions in any way relating to or affecting the property of the credit union, or the winding up of the credit union upon the receipt of such sums payable at such times and generally upon such terms as are agreed, and the liquidator may take any security for the discharge of such debts or liabilities and give a complete discharge in respect thereof.

Account to be made by liquidator

(15) The liquidator shall make up an account showing the manner in which the winding up has been conducted and the property of the credit union disposed of, and thereupon shall call a general meeting of the members of the credit union for the purpose of having the account laid before them and hearing any explanation that may be given by the liquidator and with the approval of a majority of the votes within ten days after the holding of the meeting cast at the meeting, the liquidator shall send a notice to the Director stating that the meeting was held, the date thereof and requesting dissolution.

Director to recommend dissolution

(16) The Director, upon being satisfied that the affairs of the credit union have been duly liquidated, may in

writing recommend to the Minister that the credit union be dissolved.

(17) The Minister may by order declare the credit union to be dissolved on such date as the order fixes and shall cause notice of any such dissolution of the credit union to be given in *The Ontario Gazette* and to the Director. Dissolution

121.—(1) A credit union may be wound up by order of the court, Winding up by court order

(*a*) where the members by a majority of the votes cast at a general meeting called for that purpose, pass a resolution authorizing an application to be made to the court to wind up the credit union;

(*b*) where proceedings have been commenced to wind up the credit union voluntarily and it appears to the court that it is in the interest of contributories and creditors that the proceedings should be continued under the supervision of the court;

(*c*) where it is proved to the satisfaction of the court that the credit union, though it may be solvent, cannot by reason of its liabilities continue its business and that it is advisable to wind it up; or

(*d*) where in the opinion of the court it is just and equitable for some reason other than the bankruptcy or insolvency of the credit union that it should be wound up.

(2) A winding up order may be made upon the application of the credit union or a member or, where the credit union is being wound up voluntarily, upon the application of the Director, liquidator or contributory or of a creditor having a claim of $200 or more. Who may apply

(3) Except where the application is made by the credit union, four days notice of the application shall be given to the credit union. Notice to credit union

(4) Except where the application is made by the Director, four days notice of the application shall be given to the Director. Notice to Director

(5) The court may, Power of court

(*a*) make the order applied for;

(*b*) dismiss the application with or without costs;

(*c*) adjourn the hearing conditionally or unconditionally;

(*d*) make an interim or other order as it considers appropriate; or

(*e*) refer the proceedings for the winding up to an officer of the court for inquiry and report and may authorize the officer to exercise such powers of the court as are necessary for the reference.

Appointment of liquidator

(6) The court making the winding up order may appoint one or more persons as liquidator of the estate and effects of the credit union for the purpose of winding up its affairs and distributing its property.

Remuneration

(7) The court may at any time fix the remuneration of the liquidator and the costs, charges and expenses of the winding up.

Vacancy

(8) Where a liquidator who is appointed by the court dies or resigns or the office becomes vacant for any reason, the court may fill the vacancy.

Removal

(9) The court may by order, for cause, remove a liquidator appointed by it and appoint another liquidator in his stead.

Notice of appointment

(10) A liquidator appointed by the court shall forthwith give notice to the Director and the Minister of the court order respecting the winding up and shall publish the notice in *The Ontario Gazette*.

Commencement of winding up

(11) Where a winding-up order is made by the court without prior voluntary winding-up proceedings, the winding up shall be deemed to commence at the time of the service of the notice of the application upon the Director.

Proceedings in winding up after order

(12) Where a winding-up order has been made by the court, proceedings for the winding up of the credit union shall be taken in the same manner and with the like consequences as are provided for a voluntary winding up, except that,

(*a*) the list of contributories shall be settled by the court unless it has been settled by the liquidator before the winding-up order; and

(*b*) all proceedings in the winding up are subject to the order and direction of the court.

Review by court

(13) Where the list of contributories has been settled by the liquidator before the winding-up order, it is subject to review by the court.

Meeting of members may be ordered

(14) Where a winding-up order has been made by the court, the court may direct meetings of the members of the credit union to be called, held and conducted in such manner as the court thinks fit for the purpose of ascertaining their wishes, and may appoint a person to act as chairman of any such meeting and to report the results of it to the court.

Order for delivery of property

(15) Where a winding-up order has been made by the court, the court may require any contributory for the time being settled on the list of contributories, or any director, employee, trustee, receiver, banker, agent or officer of the credit union, to pay, deliver, convey, surrender or transfer forthwith, within such time as the court directs, to the liquidator any money, books, papers, registers and other records, estate or effects that are in his hands and to which the credit union is, *prima facie*, entitled.

Inspection of documents and records

(16) Where a winding-up order is made by the court, the court may make an order for the inspection of the books, papers, registers and other records of the credit union by its creditors and contributories, and any documents and records in the possession of the credit union may be inspected in conformity with the order.

Proceedings against credit union after order

(17) After the commencement of a winding up by order of the court,

(*a*) no action or other proceedings shall be commenced or continued against the credit union; and

(*b*) no attachment, sequestration, distress or execution shall be carried out against the estate or effects of the credit union,

except by leave of the court and subject to such terms as the court may impose.

Provision for discharge of liquidator and distribution by the court

(18) Where the realization and distribution of the property of a credit union being wound up under an order of the court has proceeded so far that in the opinion of the court it is expedient that the liquidator should be discharged and that the property of the credit union remaining in his hands

can be better realized and distributed by the court, the court may make an order discharging the liquidator and for payment, delivery and transfer into court, or to such officer or person as the court directs, of such property, and it shall be realized and distributed by or under the direction of the court among the persons entitled thereto in the same way as nearly as may be as if the distribution were being made by the liquidator and the court may make an order directing how the documents and records of the credit union and of the liquidator are to be disposed of, and may order that they be deposited in court or otherwise dealt with as the court considers appropriate.

Order for dissolution

(19) The court at any time after the affairs of the credit union have been fully wound up may, upon the application of the liquidator or any other person interested, make an order dissolving it, and it is dissolved on the date fixed in the order.

Notice to Director

(20) The person on whose application the order was made shall, within ten days after it was made, file with the Director a certified copy of the order and the Director shall cause notice of the dissolution to be made in *The Ontario Gazette*.

Dissolution by the Minister

122.—(1) The Director, after the credit union has been given an opportunity to be heard by the Director, may recommend to the Minister that an order be made dissolving a credit union if he is satisfied that,

(*a*) its incorporation was obtained by fraud or mistake;

(*b*) it exists for an illegal purpose;

(*c*) the number of its members is reduced to fewer than twenty;

(*d*) it is not carrying on business or is not in operation; or

(*e*) it has contravened any of the provisions of this Act or the regulations.

Notice to credit union

(2) Where the Director recommends to the Minister that an order be made dissolving a credit union, a copy of his recommendations and the reasons therefor shall be delivered to the credit union.

Submissions to Minister

(3) The credit union may, within fifteen days after receiving the copy of recommendations and reasons of the Director

under subsection 2, make written submissions to the Minister in respect thereof.

Order for dissolution

(4) After considering the recommendations of the Director and the submissions, if any, of the credit union, the Minister may, in his discretion, order that the credit union be dissolved and, if necessary, shall appoint a liquidator to carry out the dissolution.

Liquidation

(5) The liquidator shall proceed to wind up the credit union and subsections 7 to 17 of section 120 apply thereto, except that no approval of the members of the credit union is required thereunder.

Director to report

(6) The Director upon being satisfied that the affairs of the credit union have been duly liquidated shall so report to the Minister.

Order declaring dissolution

(7) The Minister may by order declare that the credit union has been dissolved on such date as the order fixes and shall cause notice of the dissolution to be given in *The Ontario Gazette*.

Liability of members to creditors

123.—(1) Notwithstanding the dissolution of a credit union, each of the members among whom its property has been distributed other than the refunds of deposits, remains liable to its creditors to the extent of the amount received by him upon the distribution, and an action in a court of competent jurisdiction to enforce such liability may be brought against him within two years from the date of the dissolution and not thereafter.

Action against one member as representing class

(2) Where there are numerous members, the court referred to in subsection 1 may permit an action to be brought against one or more members as representatives of the class and, if the plaintiff establishes his claim as creditor, may make an order of reference and add as parties in the referee's office all such members as are found, and the referee shall determine the amount that each should contribute towards the plaintiff's claim and may direct payment of the sums so determined.

Forfeiture of undisposed property

124. Subject to section 123, any real or personal property of a credit union that has not been disposed of at the date of its dissolution is forfeit to the Ontario Share and Deposit Insurance Corporation.

Responsibilities of liquidator

125. Upon a winding up of a credit union,

(*a*) the liquidator shall apply the property of the credit

union in satisfaction of all its debts, obligations and liabilities, and, subject thereto, shall distribute any remaining property rateably among the members according to their rights and interests in the credit union;

(*b*) in distributing the property of the credit union, debts due to the employees of the credit union for services performed due at the commencement of the winding up or within one month before, not exceeding three months wages and accumulated sickness benefits or vacation pay accrued for not more than twelve months, shall be paid in priority to the claims of the ordinary creditors, and such persons shall rank as ordinary creditors for any additional amount of their claims for wages;

(*c*) all the powers of the board of directors of a credit union being wound up cease upon the appointment of a liquidator except to the extent that the liquidator may permit the continuance of these powers for the purpose of assisting the winding up proceedings.

Distribution of property R.S.O. 1970, c. 470

126. Section 53 of *The Trustee Act* applies *mutatis mutandis* to liquidators.

Payment of costs and expenses

127. The costs, charges and expenses of the winding up including the remuneration of the liquidator are payable out of the property of the credit union in priority to all other claims.

Powers of liquidator

128.—(1) A liquidator may,

(*a*) bring or defend any action, suit or prosecution, or other legal proceedings, civil or criminal, in the name and on behalf of the credit union;

(*b*) carry on the business of the credit union so far as may be necessary for the beneficial winding up of the credit union;

(*c*) sell the real and personal property of the credit union by public auction or private sale;

(*d*) borrow money on behalf of the credit union as may be necessary for the winding up of the credit union;

(*e*) draw, accept, make and endorse any bill of exchange or promissory note in the name and on behalf of the credit union;

(*f*) raise upon the security of the property of the credit union such moneys as may be required;

(*g*) take out in his official name, letters of administration of the estate of any deceased contributory and in his official name, do any other act that may be necessary for obtaining payment of any money due from a contributory or from his estate that cannot conveniently be done in the name of the credit union;

(*h*) do and perform all acts and other things and execute under the corporate seal or otherwise all documents in the name and on behalf of the credit union as may be necessary for winding up the affairs of the credit union and distributing its property;

(*i*) engage the services of a solicitor to assist him in the performance of his duty;

(*j*) employ an agent to do any business that the liquidator is unable to do himself;

(*k*) claim and, where necessary, prove any claim against the estate of a contributory for any debt or liability to the credit union;

(*l*) receive dividends in the distribution of an estate of a contributory in respect of any debt or liability mentioned in clause *k*;

(*m*) compromise all calls, and liabilities to call, debts and liabilities capable of or resulting in debts, and all claims, whether present or future, certain or contingent, liquidated or unliquidated, subsisting or alleged as subsisting between the credit union and any other person;

(*n*) do and execute all such other things as are necessary for winding up the affairs of the credit union and distributing its property.

Bills of exchange deemed drawn in the course of business

(2) The execution, endorsement or making of all agreements, contracts, bills of exchange or other documents by a liquidator on behalf of a credit union has the same effect with respect to the rights and liabilities of the credit union as if the agreements, contracts or bills of exchange or other documents had been executed, endorsed or made by or on behalf of the credit union in the course of carrying on its business.

Where approval required

(3) The liquidator shall not exercise power granted under clause *a*, *d*, *f*, *m* or *n* of subsection 1,

(*a*) in the case of a voluntary winding up, unless he has obtained the approval in writing of the Director; or

(*b*) in the case of a winding up by order of the court, unless he has obtained the approval of the court.

Notice of liability of contributory

(4) The liability of a contributory is a debt accruing due from him at the time when his liability commenced, but payable at the time when calls are made for enforcing the liability.

Who liable in case of death

(5) Where a contributory dies before or after he is placed on the list of contributories, his personal representative, in administering the estate of the contributory, is liable to contribute to the property of the credit union in discharge of the liability of the deceased contributory and shall be a contributory accordingly.

Examination of persons as to estate

(6) The court may, at any time after the commencement of the winding up, summon to appear before the court or liquidator, any director, manager, employee or officer of the credit union, or any other person known or suspected to have in his possession any of the estate or effects of the credit union, or alleged to be indebted to the credit union, or any person whom the court thinks capable of giving information concerning the dealings, estate or effects of the credit union.

Damages against delinquent directors, etc.

(7) Where, in the course of the winding up of a credit union, it appears that a person who has taken part in the formation or promotion of the credit union or any past or present director, manager, officer, employee, liquidator or receiver of the credit union has misapplied or retained in his own hands, or become liable or accountable for money of the credit union, or has committed any misfeasance or breach of trust in relation to the credit union, the court may, on the application of a creditor, member, director, liquidator, or contributory, inquire into the conduct of that person and order him to restore the money so misapplied or retained, or for which he has become liable or accountable together with interest at such rate as the court considers just or to contribute such sum to the property of the credit union by way of compensation in respect of the misapplication, retention, misfeasance or breach of trust as the court considers just.

(8) Where a credit union has been wound up under this Act and is about to be dissolved, the books, registers and other records and papers of the credit union and of the liquidator may be disposed of in such manner as the Director may order, in the case of voluntary winding up, or as the court may order in the case of winding up under court order. Disposal of records

(9) The Lieutenant Governor in Council may make regulations respecting the procedure to be followed in a winding up, and, unless otherwise provided by this Act or by those regulations, the practice and procedure in a winding up under the *Winding-up Act* (Canada) apply. Regulations R.S.C. 1970, c. W-10

129. Where proceedings are taken under the *Winding-up Act* (Canada) in respect of a credit union, the secretary of the credit union shall send notice thereof to the Director by registered mail. Notice of winding-up proceedings

AMALGAMATIONS

130.—(1) Any two or more credit unions may amalgamate and continue as one credit union. Amalgamation of credit unions

(2) The credit unions proposing to amalgamate shall enter into an agreement for the amalgamation prescribing the terms and conditions of the amalgamation, the mode of carrying the amalgamation into effect, and, in particular, the agreement shall set out, Amalgamation agreement

(*a*) the name of the amalgamated credit union;

(*b*) the limitation on membership in the amalgamated credit union;

(*c*) the name in full, callings and places of residence of the first directors of the amalgamated credit union;

(*d*) the time and manner of election of subsequent directors of the amalgamated credit union;

(*e*) the par value of each share of the amalgamated credit union;

(*f*) the manner of converting the share capital of each of the amalgamating credit unions into that of the amalgamated credit union;

(*g*) such other details as are necessary to perfect the

amalgamation and to provide for the subsequent management and operation of the amalgamated credit union.

Filing of agreement

(3) Within one month after the agreement is signed, the parties shall file with the Director, in triplicate, true copies of the amalgamation agreement.

Submission to members of credit unions

(4) The agreement is subject to the approval of the Director, and to adoption by a vote of two-thirds of the votes cast at a meeting of each of the amalgamating credit unions called for the purpose of considering the agreement within one month after the approval of the Director is given and, when so adopted, the fact shall be certified upon the agreement by the secretary of each of the amalgamating credit unions under the corporate seal.

Application for certificate of amalgamation

(5) If the agreement is adopted in accordance with subsection 3, the amalgamating credit unions may apply jointly to the Minister for a certificate of amalgamation.

Certificate of amalgamation

(6) The Minister may, in his discretion, issue a certificate of amalgamation, and on and after the date of the certificate such amalgamating credit unions are amalgamated and are continued as one credit union under the name set forth in the certificate, and the amalgamated credit union possesses all the property, rights, privileges and franchises and is subject to all the liabilities, contracts, disabilities and debts of each of the amalgamating credit unions.

Notice

(7) The Minister shall cause notice of the issue of the certificate of amalgamation to be given in *The Ontario Gazette* and to the Director.

Sale and purchase of assets

131.—(1) A credit union may sell all or any part of its assets to another credit union or it may purchase all or any part of the assets of another credit union in accordance with this section.

Agreement

(2) The agreement of purchase and sale is subject to the approval of the Director.

Purchase price

(3) The purchasing credit union may assume, as part of the purchase price, any or all of the liabilities of the selling credit union and may pay the balance in cash or by the issue of shares or promissory notes to the selling credit union or the members thereof whether or not such members are members of the purchasing credit union.

Approval by members

(4) The agreement as approved by the Director is subject

to the approval of the members of each of the credit unions by at least a two-thirds vote of the members present at each meeting, and the secretary of each credit union shall certify on the agreement that it has been so approved and shall forward a copy of the agreement so certified to the Director.

Effect of approval

(5) Upon the approval of the members of each of the credit unions, the agreement is binding on each of the credit unions and the sale shall thereafter be completed as of the effective date specified in the agreement.

Effective date

(6) In the event the agreement does not specify an effective date, the Director may fix a date upon which it will become effective.

Where all assets disposed of

(7) If the selling credit union has disposed of all its assets under the agreement, it shall cease to carry on business on the effective date of the agreement, except for the purpose of winding up its affairs, and it shall dissolve as soon as possible thereafter.

Where approval deemed given

(8) If the total assets of the selling credit union are less than 15 per cent of the total assets of the purchasing credit union, the membership of the purchasing credit union shall be deemed to have given approval to the transaction.

REORGANIZATION

Amendment of Articles

Amendments

132.—(1) Subject to sections 133 and 134, a credit union may, from time to time, amend its articles of incorporation to,

(*a*) limit or otherwise vary its powers;

(*b*) change its name;

(*c*) provide for any other matter that is authorized by this Act to be set out in the articles or that could be subject to a by-law of the credit union.

Authorization

(2) An amendment under subsection 1 shall be authorized by special resolution and such further authorization as the by-laws provide.

Articles of amendment

133. The credit union shall deliver to the Minister, within six months after the special resolution has been confirmed by the members, articles of amendment in duplicate, executed under the seal of the credit union and signed by two officers, or by one director and one officer, of the credit union and verified by affidavit of one of the officers or directors signing the articles of amendment, setting out,

(*a*) the name of the credit union;

(*b*) a certified copy of the special resolution;

(*c*) that the amendment has been duly confirmed and authorized as required by section 132; and

(*d*) the date of the confirmation of the special resolution by the members.

Certificate of amendment

134.—(1) If the articles of amendment conform to law, the Minister shall, when all prescribed fees have been paid,

(*a*) endorse on each duplicate of the articles of amendment the word "Filed" and the day, month and year of the filing thereof;

(*b*) file one of the duplicates in his office; and

(*c*) issue to the corporation or its agent a certificate of amendment to which he shall affix the other duplicate.

Effect of certificate

(2) The amendment becomes effective upon the date set forth in the certificate of amendment and the articles of incorporation are amended accordingly.

Restatement of Articles

Restatement of articles

135.—(1) Subject to subsections 2 and 3, a credit union may at any time restate its articles of incorporation as theretofore amended.

Filing of restatement

(2) The credit union shall deliver to the Minister the restated articles in duplicate, executed under the seal of the credit union and signed by two officers, or by one director and one officer, of the credit union and verified by affidavit of one of the officers or directors signing the restated articles, setting out,

(*a*) all the provisions that are then set out in the original articles of incorporation as theretofore amended; and

(*b*) a statement that the restated articles correctly set out without change the corresponding provisions of the original articles as theretofore amended.

Certificate of restatement

(3) If the restated articles of incorporation conform to law, the Minister shall, when all prescribed fees have been paid,

(*a*) endorse on each duplicate of the restated articles the word "Filed" and the day, month and year of the filing thereof;

(*b*) file one of the duplicates in his office; and

(*c*) issue to the credit union or its agent a restated certificate of incorporation to which he shall affix the other duplicate.

Effect of certificate

(4) The restated articles of incorporation become effective upon the date set forth in the restated certificate and supersede the original articles of incorporation and all amendments thereto.

RETURNS AND INSPECTIONS

Annual statements

136.—(1) A credit union shall, not later than four months after the end of its fiscal year, deliver to the Director, in the form prescribed by the regulations, a statement of operations, a balance sheet and the auditor's report, if any, and the statements shall also contain such other information as to compliance with this Act and the regulations as the Director requires.

Information for Director

(2) A credit union shall furnish the Director with such statements with respect to its business, finances and other affairs and with such other information as he requires and the board of directors, officers and employees shall cause their books and records to be open for inspection and otherwise facilitate any examination.

Verification

(3) The statement and other information required shall be certified by the supervisory committee and the president and by the treasurer or manager.

Inspection by appointee of Director

137. When the Director is required or authorized by this Act to make an examination, inspection or investigation, he may appoint in writing a duly qualified member of his staff to make such examination, inspection or investigation on his behalf.

Examination

138.—(1) The Director or any person authorized in writing by the Director shall review the annual statements received by him and he shall be given such additional information as he requires by both the Ontario Share and Deposit Insurance Corporation and the credit union and he may visit the head office of each credit union and he may inspect and examine into the conditions and affairs of any

credit union and shall be given access to all books, records and other documents and may make such inquiries as are necessary to ascertain its condition and ability to provide for the payment of its liabilities as they become due, and whether or not it has complied with this Act.

Report to Corporation

(2) Where the Director considers it necessary and believes on reasonable and probable grounds that a credit union is unable to provide for the payment of its liabilities as they become due he shall immediately report thereon in writing to the Ontario Share and Deposit Insurance Corporation.

Further examination

(3) Where the Director believes on reasonable and probable grounds that a credit union has failed to comply with the provisions of this Act or the regulations and it is expedient to make a further examination into the affairs of a credit union, the Director may, in his discretion, visit or cause a member of his staff to visit any office of the credit union to inspect and examine into its affairs and to make such further inquiries as the Director may require.

Material to be furnished on inspection

(4) For the purpose of the examination referred to in subsection 5, the credit union shall prepare and submit to the Director such statements with respect to its business, finances or other affairs, in addition to the statement mentioned in section 136, as the Director may require, and the board of directors, officers, agents and servants of the credit union shall cause its books to be open for inspection and shall otherwise facilitate such examination.

Examination under oath

1971, c. 49

(5) Upon such inspection or examination, the Director, or any person authorized by him, has the powers of a Commission under Part II of *The Public Inquiries Act, 1971*, which Part applies to the inquiry as if it were an inquiry under that Act.

Prohibition against accepting deposits

139.—(1) Where it appears to the Director from an examination of the condition and affairs of a credit union that the assets are shown on the statement mentioned in section 136 at an amount greater than the true value, he may require the credit union to set aside out of earnings such additional reserves as he considers necessary, and, where in his opinion the value of the assets of the credit union is less than its liabilities, including the deposits and share accounts of its members, the Director may prohibit the credit union from taking further deposits or payments to its members, or may limit such payments for such period as he considers necessary to protect the interests of the members,

and he may take such other action as he considers necessary for the protection or in the interest of the members, including the calling of meetings of members and having his representative attend the meeting for the purpose of explaining the situation to the members.

Suspension of business

(2) The Director may order a credit union to discontinue doing business for such time as he determines if, after an inspection thereof, he is satisfied that the continuance in business of the credit union is not in the members interest and shall report forthwith to the Ontario Share and Deposit Insurance Corporation the order made and the reasons therefor.

EXTRA-PROVINCIAL CREDIT UNIONS

Extra-provincial credit unions

140.—(1) Where the Government of Ontario has entered into an agreement providing for reciprocal rights for credit unions with the government of a province or territory of Canada, a credit union incorporated under the laws of that province or territory may register under this Act for such purposes as are specified in the agreement.

Register

(2) The Director shall maintain a register called the "Extra-Provincial Credit Unions Register" wherein shall be recorded the names of the credit unions registered and the limited purposes to which they are subject in Ontario.

Condition precedent to licence under R.S.O. 1970, c. 89

(3) No credit union that is an extra-provincial corporation within the meaning of *The Corporations Act* shall be licensed under that Act as an extra-provincial corporation unless it has been first registered under this Act by the Director.

OFFENCES

Offences re records and inspections

141.—(1) Every person who,

(*a*) refuses or neglects to make an entry in any record required by this Act, the regulations or the by-laws to be kept;

(*b*) refuses to produce any document or record of a credit union for the purpose of any inspection, examination or investigation authorized by this Act, the regulations or the by-laws;

(*c*) obstructs any person authorized by this Act, the regulations or the by-laws to inspect, examine or investigate the affairs of the credit union,

is guilty of an offence and is liable on summary conviction to a fine of not more than $2,000.

Officers of corporations

(2) Where a corporation is guilty of an offence referred to in subsection 1, every director or officer thereof who authorized, permitted or acquiesced in the offence is also guilty of the offence and on summary conviction is liable to a fine of not more than $2,000.

Offence, false statements

142.—(1) Every person who makes or assists in making a statement in any document required by or for the purposes of this Act or the regulations or the by-laws of a credit union that, at the time and in the light of the circumstances under which it was made, is false or misleading in respect of any material fact or that omits to state any material fact the omission of which makes the statement false or misleading is guilty of an offence.

Defence

(2) No person is guilty of an offence under subsection 1 if he did not know that the statement was false or misleading and in the exercise of reasonable diligence could not have known that the statement was false or misleading.

Failure to file annual return

143.—(1) A credit union that is in default of filing the annual statement required by section 136 is guilty of an offence and upon summary conviction is liable to a fine of not more than $50 for each day such default continues.

Failure to pay Corporation

(2) A credit union that is in default of payment of any assessment made on it by the Ontario Share and Deposit Insurance Corporation is guilty of an offence and upon summary conviction is liable to a fine of not more than $50 for each day such default continues.

General penalty

144.—(1) Every person who is guilty of an offence under this Act for which no penalty is otherwise provided is liable on summary conviction to a fine of not more than $2,000 or, if such person is a corporation, to a fine of not more than $10,000.

Officers of corporations

(2) Where a corporation is guilty of an offence referred to in subsection 1, every director or officer thereof who authorized, permitted or acquiesced in the offence is also guilty of the offence and on summary conviction is liable to a fine of not more than $2,000.

REGULATIONS

Regulations

145. The Lieutenant Governor in Council may make regulations,

(*a*) prescribing the procedure and forms to be used under this Act;

(*b*) requiring and prescribing the fees payable for incorporation of credit unions and credit union leagues, for amalgamation of credit unions, for changing the name of credit unions, upon filing any articles of incorporation, return or other document required or permitted to be filed under this Act, for searches, and for certified copies of certificates of incorporation and other documents;

(*c*) respecting the holding of first meetings, the notice calling the meeting, the quorum, and the business to be transacted;

(*d*) prescribing matters to be shown in financial statements under clause *a* of subsection 2 of section 71;

(*e*) governing the operations and powers of branches of credit unions;

(*f*) governing credit unions and leagues of credit unions;

(*g*) prescribing any matter required by this Act to be prescribed by the regulations.

MISCELLANEOUS

Transitional continuance, of letters patent, etc.

146.—(1) The letters patent, supplementary letters patent or memorandum of association of any credit union to which this Act applies continue and shall be deemed to be amended in accordance with the provisions of this Act on the day that it comes into force and any additions or amendments to or deletions from any provision in the memorandum of association, letters patent or supplementary letters patent of a credit union shall be made in accordance with this Act.

(2) Any investment made by a credit union prior to the date of the coming into force of this Act that, but for this Act, would have been an authorized investment may be disposed of prior to maturity or held to maturity and any realized gains or losses may be brought through income accounts over the period to maturity.

Repeals

147. The following are repealed:

1. *The Credit Unions Act*, being chapter 96 of the Revised Statutes of Ontario, 1970.

2. *The Credit Unions Amendment Act, 1972*, being chapter 172.

3. *The Credit Unions Amendment Act, 1974*, being chapter 39.

4. Paragraph 10 of the Schedule to *The Age of Majority and Accountability Act, 1971*, being chapter 98.

5. Section 38 of *The Government Reorganization Act, 1972*, being chapter 1.

Commencement

148. This Act comes into force on a day to be named by proclamation of the Lieutenant Governor.

Short title

149. This Act may be cited as *The Credit Unions and Caisses Populaires Act, 1976*.

The Credit Unions and Caisses Populaires Act, 1976

1st Reading

June 3rd, 1976

2nd Reading

October 26th, 1976

3rd Reading

December 3rd, 1976

THE HON. S. B. HANDLEMAN
Minister of Consumer and
Commercial Relations

1976

BILL 98 **Government Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Travel Industry Act, 1974

THE HON. S. B. HANDLEMAN
Minister of Consumer and Commercial Relations

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTES

SECTION 1. The new provision modifies the vicarious joint liability of a travel agent where he is acting in good faith and there is recourse from the compensation fund.

SECTION 2. The new provision provides for freezing of a registrant's assets where an investigation is being made under section 20.

BILL 98 **1976**

An Act to amend The Travel Industry Act, 1974

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 13 of *The Travel Industry Act, 1974*, being chapter 115, is amended by adding thereto the following subsection: s. 13, amended

(2) Subsection 1 does not apply where, Application of subsection 1

(*a*) the travel agent or travel wholesaler has properly disbursed the money received;

(*b*) the travel agent or travel wholesaler has acted in good faith and at arm's length with any person with whom he would, but for this subsection, be jointly liable under subsection 1;

(*c*) the person referred to in subsection 1 who is entitled to repayment of money is entitled to be reimbursed therefor out of the compensation fund established under the regulations,

unless the travel agent or travel wholesaler would, but for this subsection, be jointly liable under subsection 1 with a travel agent and travel wholesaler who is not registered under this Act.

2. The said Act is amended by adding thereto the following section: s. 21*a*, enacted

21*a*.—(1) Where, Order to refrain from dealing with assets

(*a*) an investigation of any person has been ordered under section 20; or

(*b*) criminal proceedings or proceedings in relation to a contravention of any Act or regulation are about

to be or have been instituted against a person that are connected with or arise out of the business in respect of which registration is required under this Act,

the Director, if he believes it advisable for the protection of customers of the person referred to in clause *a* or *b*, may, in writing or by telegram, direct any person having on deposit or under control or for safekeeping any assets or trust funds or direct the person referred to in clause *a* or *b* to hold such assets or trust funds or direct the person referred to in clause *a* or *b* to refrain from withdrawing any such assets or trust funds from any person having any of them on deposit or under control or for safekeeping or to hold such assets or any trust funds of investors, customers or others in his possession or control in trust for any interim receiver or liquidator appointed under the *Bankruptcy Act* (Canada), *The Judicature Act*, *The Corporations Act*, *The Business Corporations Act*, or the *Winding-up Act* (Canada), or until the Director revokes or the Tribunal cancels such direction or consents to the release of any particular assets or trust funds from the direction but, in the case of a bank, loan or trust company, the direction only applies to the office, branches or agencies thereof named in the direction.

R.S.C. 1970, cc. B-4, W-11
R.S.O. 1970, cc. 228, 89, 53

Bond in lieu

(2) Subsection 1 does not apply where the person referred to in clause *a* or *b* of subsection 1 files with the Director,

(*a*) a personal bond accompanied by collateral security;

(*b*) a bond of a guarantee company approved under *The Guarantee Companies Securities Act*; or

R.S.O. 1970, c. 196

(*c*) a bond of a guarantor, other than a guarantee company, accompanied by collateral security,

in such form, terms and amount as the Director may determine.

Application for direction

(3) Any person in receipt of a direction given under subsection 1, if in doubt as to the application of the direction to any assets or trust funds, or in case of a claim being made thereto by a person not named in the direction, may apply to a judge or local judge of the Supreme Court who may direct the disposition of such assets or trust funds and may make such order as to costs as seems just.

Notice to registrar of deeds, etc.

(4) In any of the circumstances mentioned in clause *a* or *b* of subsection 1, the Director may in writing or by telegram notify any registrar of deeds or master of titles

SECTION 3. The provision confirms O. Reg. 491/76 which governs the compensation fund, removing doubts and authorizing retrospectivity in respect of certain provisions of the regulation.

that proceedings are being or are about to be taken that may affect land belonging to the person referred to in the notice, and the notice shall be registered against the lands mentioned therein and has the same effect as the registration of a certificate of *lis pendens* except that the Director may in writing revoke or modify the notice.

Cancellation of direction or registration

(5) Any person referred to in clause *a* or *b* of subsection 1 in respect of whom a direction has been given by the Director under subsection 1 or any person having an interest in land in respect of which a notice has been registered under subsection 4 may, at any time, apply to the Tribunal for cancellation in whole or in part of the direction or registration and the Tribunal shall dispose of the application after a hearing and may, if it finds that such a direction or registration is not required in whole or in part for the protection of customers of the applicant or of other persons interested in the land or that the interests of other persons are unduly prejudiced thereby, cancel the direction or registration in whole or in part, and the applicant, the Director and such other persons as the Tribunal may specify are parties to the proceedings before the Tribunal.

O. Reg. 491/76 validated

3. O. Reg. 491/76 shall be deemed to be valid for all purposes notwithstanding that it or any part of it would, but for this section, be invalid.

Commencement

4. This Act comes into force on the day it receives Royal Assent.

Short title

5. This Act may be cited as *The Travel Industry Amendment Act, 1976*.

An Act to amend
The Travel Industry Act, 1974

1st Reading

June 3rd, 1976

2nd Reading

3rd Reading

THE HON. S. B. HANDLEMAN
Minister of Consumer and
Commercial Relations

(*Government Bill*)

1976

BILL 98

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Travel Industry Act, 1974

THE HON. S. B. HANDLEMAN
Minister of Consumer and Commercial Relations

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 98 **1976**

An Act to amend The Travel Industry Act, 1974

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Section 13 of *The Travel Industry Act, 1974*, being chapter 115, is amended by adding thereto the following subsection: s. 13, amended

(2) Subsection 1 does not apply where, Application of sub-section 1

(*a*) the travel agent or travel wholesaler has properly disbursed the money received;

(*b*) the travel agent or travel wholesaler has acted in good faith and at arm's length with any person with whom he would, but for this subsection, be jointly liable under subsection 1;

(*c*) the person referred to in subsection 1 who is entitled to repayment of money is entitled to be reimbursed therefor out of the compensation fund established under the regulations,

unless the travel agent or travel wholesaler would, but for this subsection, be jointly liable under subsection 1 with a travel agent and travel wholesaler who is not registered under this Act.

2. The said Act is amended by adding thereto the following section: s. 21*a*, enacted

21*a*.—(1) Where, Order to refrain from dealing with assets

(*a*) an investigation of any person has been ordered under section 20; or

(*b*) criminal proceedings or proceedings in relation to a contravention of any Act or regulation are about

to be or have been instituted against a person that are connected with or arise out of the business in respect of which registration is required under this Act,

the Director, if he believes it advisable for the protection of customers of the person referred to in clause *a* or *b*, may, in writing or by telegram, direct any person having on deposit or under control or for safekeeping any assets or trust funds or direct the person referred to in clause *a* or *b* to hold such assets or trust funds or direct the person referred to in clause *a* or *b* to refrain from withdrawing any such assets or trust funds from any person having any of them on deposit or under control or for safekeeping or to hold such assets or any trust funds of investors, customers or others in his possession or control in trust for any interim receiver or liquidator appointed under the *Bankruptcy Act* (Canada), *The Judicature Act*, *The Corporations Act*, *The Business Corporations Act*, or the *Winding-up Act* (Canada), or until the Director revokes or the Tribunal cancels such direction or consents to the release of any particular assets or trust funds from the direction but, in the case of a bank, loan or trust company, the direction only applies to the office, branches or agencies thereof named in the direction.

R.S.C. 1970, cc. B-4, W-11
R.S.O. 1970, cc. 228, 89, 53

Bond in lieu

(2) Subsection 1 does not apply where the person referred to in clause *a* or *b* of subsection 1 files with the Director,

(*a*) a personal bond accompanied by collateral security;

(*b*) a bond of a guarantee company approved under *The Guarantee Companies Securities Act*; or

R.S.O. 1970, c. 196

(*c*) a bond of a guarantor, other than a guarantee company, accompanied by collateral security,

in such form, terms and amount as the Director may determine.

Application for direction

(3) Any person in receipt of a direction given under subsection 1, if in doubt as to the application of the direction to any assets or trust funds, or in case of a claim being made thereto by a person not named in the direction, may apply to a judge or local judge of the Supreme Court who may direct the disposition of such assets or trust funds and may make such order as to costs as seems just.

Notice to registrar of deeds, etc.

(4) In any of the circumstances mentioned in clause *a* or *b* of subsection 1, the Director may in writing or by telegram notify any registrar of deeds or master of titles

that proceedings are being or are about to be taken that may affect land belonging to the person referred to in the notice, and the notice shall be registered against the lands mentioned therein and has the same effect as the registration of a certificate of *lis pendens* except that the Director may in writing revoke or modify the notice.

Cancellation of direction or registration

(5) Any person referred to in clause *a* or *b* of subsection 1 in respect of whom a direction has been given by the Director under subsection 1 or any person having an interest in land in respect of which a notice has been registered under subsection 4 may, at any time, apply to the Tribunal for cancellation in whole or in part of the direction or registration and the Tribunal shall dispose of the application after a hearing and may, if it finds that such a direction or registration is not required in whole or in part for the protection of customers of the applicant or of other persons interested in the land or that the interests of other persons are unduly prejudiced thereby, cancel the direction or registration in whole or in part, and the applicant, the Director and such other persons as the Tribunal may specify are parties to the proceedings before the Tribunal.

O. Reg. 491/76 validated

3. O. Reg. 491/76 shall be deemed to be valid for all purposes notwithstanding that it or any part of it would, but for this section, be invalid.

Commencement

4. This Act comes into force on the day it receives Royal Assent.

Short title

5. This Act may be cited as *The Travel Industry Amendment Act, 1976*.

An Act to amend
The Travel Industry Act, 1974

1st Reading

June 3rd, 1976

2nd Reading

June 14th, 1976

3rd Reading

June 18th, 1976

THE HON. S. B. HANDLEMAN
Minister of Consumer and
Commercial Relations

1976

BILL 99 **Government Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Corporations Tax Act, 1972

THE HON. A. K. MEEN
Minister of Revenue

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTE

This Bill raises from $100,000 to $150,000 the amount on which small businesses that are eligible for the small business deduction permitted by section 125 of the *Income Tax Act* (Canada) may compute the 3 per cent reduction in corporations tax permitted by section 106*a* of *The Corporations Tax Act, 1972*, as re-enacted this spring to implement part of the Treasurer's Budget introduced last April. The increase proposed in this Bill is designed to bring *The Corporations Tax Act, 1972* into line with the increase announced by the Minister of Finance for Canada in his Budget proposals of May 25th last. Since the proposed amendment to the *Income Tax Act* (Canada) is not yet in force, the amendment proposed by this Bill will be brought into force when the change to the Federal Act has become law.

BILL 99 **1976**

An Act to amend The Corporations Tax Act, 1972

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 2 of section 106*a* of *The Corporations Tax Act, 1972*, being chapter 143, as re-enacted by the Statutes of Ontario, 1976, chapter 32, section 11, is amended by striking out "$100,000" in the fifth line and inserting in lieu thereof "$150,000". s. 106*a* (2), amended

2. This Act comes into force on a day to be named by proclamation of the Lieutenant Governor, and, when in force, applies to corporations in respect of all fiscal years ending after the 6th day of April, 1976. Commencement

3. This Act may be cited as *The Corporations Tax Amendment Act, 1976* (*No. 2*). Short title

An Act to amend
The Corporations Tax Act, 1972

1st Reading

June 3rd, 1976

2nd Reading

3rd Reading

THE HON. A. K. MEEN
Minister of Revenue

(*Government Bill*)

1976

BILL 99

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Corporations Tax Act, 1972

THE HON. A. K. MEEN
Minister of Revenue

TORONTO
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BILL 99 **1976**

An Act to amend The Corporations Tax Act, 1972

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

s. 106*a* (2), amended

1. Subsection 2 of section 106*a* of *The Corporations Tax Act, 1972*, being chapter 143, as re-enacted by the Statutes of Ontario, 1976, chapter 32, section 11, is amended by striking out "$100,000" in the fifth line and inserting in lieu thereof "$150,000".

Commencement

2. This Act comes into force on a day to be named by proclamation of the Lieutenant Governor, and, when in force, applies to corporations in respect of all fiscal years ending after the 6th day of April, 1976.

Short title

3. This Act may be cited as *The Corporations Tax Amendment Act, 1976* (*No. 2*).

An Act to amend
The Corporations Tax Act, 1972

1st Reading

June 3rd, 1976

2nd Reading

November 2nd, 1976

3rd Reading

November 2nd, 1976

THE HON. A. K. MEEN
Minister of Revenue

1976

BILL 100 **Government Bill**

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Municipal Conflict of Interest Act, 1972

THE HON. R. MCMURTRY
Attorney General

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Notes

Section 1.—Subsection 1. Subsection 4 of section 1 presently reads as follows:

> (4) *A member of a council or of a local board does not have an indirect pecuniary interest by reason only of his being a director or senior officer of a corporation incorporated for the purpose of carrying on business for and on behalf of the municipality or local board or by reason of his being a member of a board, commission or other body as an appointee of the council or local board.*

The effect of the amendment is to provide that a council member who is a member of a board, commission or other body does not have an indirect pecuniary interest by reason of that fact only, provided he is a member of such board or commission as an appointee of any council.

Subsection 2. Subsection 5 of section 1 presently reads as follows:

> (5) *Where the number of members of a council or of a local board who have an indirect pecuniary interest by reason of the application of clause b of subsection 3 is such that at any meeting the remaining members are not of sufficient number to constitute a quorum, then, notwithstanding any other general or special Act, the remaining number of members shall be deemed to constitute a quorum, provided such number is not less than two.*

Subsection 5 governs the situation where several members of a council may be employees of a person or body with whom the council has dealings; such members are deemed to have an indirect pecuniary interest and may not participate in the proceedings.

Where the number of members so affected is such that the remainder of council does not constitute a quorum, the subsection provides that the remaining number of members, provided it is not less than two, are deemed to constitute a quorum.

The new subsections 5*a* and 5*b* will permit a council, in a case where all, or all but one, of the members of council are employees of a person or body to apply to a judge for an order permitting the council to deal with such employer in any specific matter coming before the council as though the indirect pecuniary interest did not exist.

BILL 100 **1976**

An Act to amend The Municipal Conflict of Interest Act, 1972

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1.—(1) Subsection 4 of section 1 of *The Municipal Conflict of Interest Act, 1972*, being chapter 142, is repealed and the following substituted therefor: s. 1 (4), re-enacted

(4) A member of a council or of a local board does not have an indirect pecuniary interest by reason only of his being a director or senior officer of a corporation incorporated for the purpose of carrying on business for and on behalf of the municipality or local board or by reason of his being a member of a board, commission or other body as an appointee of a council or local board. Idem

(2) The said section 1 is amended by adding thereto the following subsections: s. 1, amended

(5*a*) Where, in the circumstances mentioned in subsection 5, the remaining number of members of council who do not have an indirect pecuniary interest is less than two, the council may apply to a judge for an order authorizing the council to give consideration to, discuss and vote on the contract, proposed contract or other matter out of which the indirect pecuniary interest arises. Application to judge

(5*b*) The judge may, on an application brought under subsection 5*a*, by order, declare that this Act does not apply to the council in respect of the contract, proposed contract or other matter in relation to which the application is brought, and the council thereupon may give consideration to, discuss and vote on the contract, proposed contract or other matter in the same manner as though none of the members of council had any indirect pecuniary interest therein. Power of judge to declare Act not to apply

s. 5 (2), re-enacted

2. Subsection 2 of section 5 of the said Act is repealed and the following substituted therefor:

Saving

(2) Where the judge determines that a member of council or of a local board has contravened subsection 1 or 2 of section 2, if the judge finds that the contravention was committed through inadvertance or by reason of a *bona fide* error in judgment or that the interest of the member is so remote or insignificant in its nature that it cannot reasonably be regarded as likely to influence the member, the member is not subject to having his seat declared vacant or to being disqualified as a member, as provided by subsection 1.

Commencement

3. This Act comes into force on the day it receives Royal Assent.

Short title

4. This Act may be cited as *The Municipal Conflict of Interest Amendment Act, 1976*.

SECTION 2. Subsection 2 of section 5 presently reads as follows:

(2) *Where the judge determines that a member of council or of a local board has contravened subsection 1 or 2 of section 2, if the judge finds that the contravention was committed through inadvertance or by reason of a bona fide error in judgment, the member is not subject to having his seat declared vacant or to being disqualified as a member, as provided by subsection 1.*

The amendment permits a judge to relieve a council member of the penalties imposed by the Act where he finds that the interest of a member who failed to disclose it was so remote or insignificant as not reasonably to be likely to influence the member in his consideration or voting on the subject-matter.

An Act to amend
The Municipal Conflict of
Interest Act, 1972

1st Reading

June 7th, 1976

2nd Reading

3rd Reading

THE HON. R. MCMURTRY
Attorney General

(*Government Bill*)

1976

BILL 100

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The Municipal Conflict of Interest Act, 1972

THE HON. R. MCMURTRY
Attorney General

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 100 **1976**

An Act to amend The Municipal Conflict of Interest Act, 1972

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1.—(1) Subsection 4 of section 1 of *The Municipal Conflict of Interest Act, 1972*, being chapter 142, is repealed and the following substituted therefor: s. 1 (4), re-enacted

(4) A member of a council or of a local board does not have an indirect pecuniary interest by reason only of his being a director or senior officer of a corporation incorporated for the purpose of carrying on business for and on behalf of the municipality or local board or by reason of his being a member of a board, commission or other body as an appointee of a council or local board. Idem

(2) The said section 1 is amended by adding thereto the following subsections: s. 1, amended

(5*a*) Where, in the circumstances mentioned in subsection 5, the remaining number of members of council who do not have an indirect pecuniary interest is less than two, the council may apply to a judge for an order authorizing the council to give consideration to, discuss and vote on the contract, proposed contract or other matter out of which the indirect pecuniary interest arises. Application to judge

(5*b*) The judge may, on an application brought under subsection 5*a*, by order, declare that this Act does not apply to the council in respect of the contract, proposed contract or other matter in relation to which the application is brought, and the council thereupon may give consideration to, discuss and vote on the contract, proposed contract or other matter in the same manner as though none of the members of council had any indirect pecuniary interest therein. Power of judge to declare Act not to apply

s. 5 (2), re-enacted

2. Subsection 2 of section 5 of the said Act is repealed and the following substituted therefor:

Saving

(2) Where the judge determines that a member of council or of a local board has contravened subsection 1 or 2 of section 2, if the judge finds that the contravention was committed through inadvertance or by reason of a *bona fide* error in judgment or that the interest of the member is so remote or insignificant in its nature that it cannot reasonably be regarded as likely to influence the member, the member is not subject to having his seat declared vacant or to being disqualified as a member, as provided by subsection 1.

Commencement

3. This Act comes into force on the day it receives Royal Assent.

Short title

4. This Act may be cited as *The Municipal Conflict of Interest Amendment Act, 1976*.

An Act to amend
The Municipal Conflict of
Interest Act, 1972

1st Reading

June 7th, 1976

2nd Reading

June 14th, 1976

3rd Reading

June 21st, 1976

THE HON. R. MCMURTRY
Attorney General

1976

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The District Municipality of Muskoka Act

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and Minister of Economics and Intergovernmental Affairs

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

EXPLANATORY NOTES

SECTION 1. The effect of the amendment is to enlarge from 30 to 60 days the period of time within which the council of the appropriate area municipality must appoint a successor in the event of a vacancy occurring on the District Council. The subsection presently reads as follows:

> *(4) When a vacancy occurs in the office of a member, other than the chairman or the head of the council of an area municipality, the council of the area municipality from which he was elected shall by by-law within thirty days after the vacancy occurs appoint a successor, who is eligible to be elected a member of the District Council, to hold office for the remainder of the term of his predecessor.*

SECTION 2. The effect of the amendment is to permit a person to act as auditor of the District Corporation despite having rendered any professional services in the preceding year to the District Corporation, an area municipality or a local board thereof. The subsection presently reads as follows:

> *(3) No person shall be appointed as an auditor of the District Corporation who is or during the preceding year was a member of the District Council or of the council of an area municipality or of any local board, the accounts and transactions of which it would as auditor be his duty to audit, or who has or during the preceding year had any direct or indirect interest in any contract with the District Corporation or an area municipality or any such local board, or any employment with any of them other than as an auditor.*

SECTION 3. Approval under *The Highway Traffic Act* is now no longer required to local municipality traffic by-laws and the amendment deletes the references to such approval; the new subsections added permit the District Council to approve such traffic by-laws in part only and to withdraw any approval previously given. Similar powers were formerly exercised under *The Highway Traffic Act*. The subsection presently reads as follows:

> *(1) No by-law passed by an area municipality for the regulation of traffic on a highway under the jurisdiction and control of the area municipality, except a by-law for the regulation of parking, shall come into force until it has been approved by resolution of the District Council before it is submitted for approval under The Highway Traffic Act.*

SECTION 4. The effect of the amendment is to require the Liaison Committee to meet at least once every three months rather than at monthly intervals; there is no other change.

BILL 101 **1976**

An Act to amend The District Municipality of Muskoka Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 4 of section 11 of *The District Municipality of Muskoka Act*, being chapter 131 of the Revised Statutes of Ontario, 1970, is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty". s. 11 (4), amended

2. Subsection 3 of section 24 of the said Act is amended by striking out "as an auditor" in the eighth and ninth lines and inserting in lieu thereof "for services within his professional capacity". s. 24 (3), amended

3.—(1) Subsection 1 of section 56 of the said Act, as amended by the Statutes of Ontario, 1972, chapter 52, section 4, is further amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines. s. 56 (1), amended

(2) The said section 56 is amended by adding thereto the following subsections: s. 56, amended

(1*a*) A by-law submitted for approval of the District Council in compliance with subsection 1 may be approved in whole or in part and, where part only of a by-law is approved, that part only shall become operative. District Council may approve by-law in whole or in part

(1*b*) The District Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice. Withdrawal of approval

4. Section 87 of the said Act is repealed and the following substituted therefor: s. 87, re-enacted

Liaison Committee

87. The District Council shall establish a committee of seven persons consisting of the chairman and one representative from the council of each area municipality to be known as the Muskoka District Police Liaison Committee which shall meet at least once every three months with the representatives of the Ontario Provincial Police to discuss police matters within the District Area.

s. 101 (1) (*b*), re-enacted

5. Clause *b* of subsection 1 of section 101 of the said Act is repealed and the following substituted therefor:

(*b*) "urban service" means,

(i) land drainage,

(ii) the collection and removal of ashes or garbage or other refuse, or

(iii) street lighting.

s. 104 (4, 5), re-enacted

6. Subsections 4 and 5 of section 104 of the said Act are repealed and the following substituted therefor:

Purpose of fund

(4) The moneys in the fund established under subsection 3 may be used only to defray the costs of the District Council in exercising its powers under Part III-A and for pollution control measures undertaken in the District Area, which measures are in addition to the normal pollution control measures being undertaken by the Muskoka-Parry Sound Health Unit.

Cost of District Council under Part III-A

(5) None of the costs of the District Council in exercising its powers under Part III-A shall form part of the levy under section 92 except as provided in subsection 4.

s. 105, repealed

7. Section 105 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 119, section 9, is repealed.

s. 110*a*, enacted

8. The said Act is amended by adding thereto the following section:

Temporary borrowing R.S.O. 1970, c. 332

110*a*.—(1) Where the District Corporation has entered into an agreement under *The Ontario Water Resources Act* whereby the District Corporation is entitled to receive moneys from the Crown, the District Council pending the receipt of such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a bank or a person for temporary advances from time to time.

SECTION 5. The amendment deletes from the definition of "urban service",

(i) the collection and disposal of sewage, and

(ii) the provision and distribution of an adequate supply of water.

The responsibility for these two matters became a function of the District Corporation on the 1st day of January, 1975, and their inclusion in relation to a service to be provided by an area municipality is not now appropriate.

SECTION 6. The fund referred to in subsection 4 is the pollution control fund the District Council is required to establish and maintain. Those moneys are to be expended by the District Council only to defray its costs in exercising its sewage disposal powers. The amendment changes the reference from Part III of the Act to Part III-A, where such powers are now to be found.

SECTION 7. Section 105 provides for certain sums of money to be paid to the District Corporation out of the Consolidated Revenue Fund in each of the years 1971 to 1975 inclusive, as a form of special provincial assistance. It is repealed as being obsolete.

SECTION 8. The section added permits the District Council, in cases where the District Corporation has entered into an agreement under *The Ontario Water Resources Act*, whereunder moneys will be received by the Corporation from the Crown, to arrange temporary financing pending the receipt of the moneys; the power is analogous to that which is conferred on the District Council pending the issue and sale of debentures that have been approved by the Municipal Board.

SECTION 9. The amendments relate to debentures and provide for the following:

(1) The present requirement that all debentures authorized by the same by-law of the District Council be issued at the same time is deleted.

(2) The investment powers of the District Corporation in respect of sinking fund moneys is expanded. Such moneys will be able to be invested in United States of America securities and such other types of securities as the Lieutenant Governor in Council authorizes. Presently investments of such moneys are limited to the following:

(*a*) in securities in which a trustee may invest under *The Trustee Act*;

(*b*) in debentures of the District Corporation;

(*c*) in temporary advances to the District Corporation pending the issue and sale of any debentures of the District Corporation;

(*d*) in temporary loans to the District Corporation for current expenditures, but no loan for such purpose shall be made for a period ending after the end of the calendar year in which the loan is made.

(3) The District Corporation is given the same power as is conferred on local municipalities under section 291*a* of *The Municipal Act* to issue "term debentures". The retirement fund for the term debentures is to be administered by the sinking fund committee of the District Corporation. All debentures issued by the District Corporation, regardless of the date of issue or the date of maturity are to rank equally.

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the District Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the District Corporation has received the moneys to which it is entitled from the Crown under the said agreement such moneys shall be applied first in repayment of the advances. Application of proceeds R.S.O. 1970, c. 332

9.—(1) Subsection 9 of section 111 of the said Act is amended by striking out "at one time and" in the first line. s. 111 (9), amended

(2) Subsection 30 of the said section 111 is amended by adding thereto the following clauses: s. 111 (30), amended

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

(3) The said section 111, as amended by the Statutes of Ontario, 1972, chapter 52, section 10, is further amended by adding thereto the following subsections: s. 111, amended

(42) A money by-law may authorize the issue of debentures of which a portion shall be payable on a fixed date with interest payable annually or semi-annually, in which case such debentures shall be known as term debentures. Term debentures

(43) In respect of the term debentures, the by-law shall provide for raising, Amounts to be raised annually

(*a*) in each year of the currency of the term debentures, a sum sufficient to pay the interest on the term debentures; and

(*b*) in each year of the currency of the term debentures in which no other debentures issued under the same by-law become due and payable, a specific amount to form a retirement fund for the term debentures which, with interest at a rate not to exceed 5 per cent per annum compounded yearly, will be sufficient to pay the principal of the term debentures at maturity.

(44) The retirement fund for the term debentures shall be administered by the sinking fund committee in all Retirement fund administration

respects in the same manner as a sinking fund established under this section, and the provisions of subsections 21 to 41 of this section with respect to a sinking fund shall apply *mutatis mutandis* to such retirement fund.

All debentures to rank equally

(45) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the District Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures.

s. 111*a*, enacted

10. The said Act is further amended by adding thereto the following section:

Debentures payable on a fixed date subject to annual redemption by lot of a specified principal amount

111*a*. Notwithstanding any other provision of this Act,

(*a*) a money by-law of the District Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the District Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the District Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

Interest ceases to accrue on date set for redemption

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the District Corporation for the payment of the principal amount thereof;

Debentures to be redeemed may be purchased

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the District Corporation at a public meeting of the District Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the District Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption;

SECTION 10. The effect of the added section is to confer on the District Corporation the same power as is conferred on local municipalities under section 289 of *The Municipal Act* to issue debentures all or a portion of which may be made payable on a fixed date, subject to the obligation of the Corporation to redeem annually, by lot, a certain specified principal amount of the debentures.

SECTION 11. The effect of the amendment is to authorize debentures of the District Corporation to be registered both as to principal and to interest and to provide that where debentures are issued in a currency other than that of Canada the Debenture Registry Book may be maintained outside Canada. Local municipalities have the same authority under section 326 of *The Municipal Act*.

SECTION 12. The broad general granting power conferred on local municipalities under section 248*a* of *The Municipal Act* is given to the District Corporation. Section 248*a* reads as follows:

248a.—*(1) Notwithstanding any special provision in this Act or in any other general or special Act, the council of every municipality may, subject to section 248, make grants on such terms and conditions as to security and otherwise as the council may consider expedient to any person, institution, association, group or body of any kind, including a fund, within or outside the boundaries of the municipality for any purpose that, in the opinion of the council, is in the interests of the municipality.*

(2) The power to make a grant includes the power to guarantee a loan and to make a grant by way of loan and to charge interest on such loan.

(3) A guarantee of loan made under this section shall be deemed to be a debt for the purposes of section 293 and, where the term of the loan in respect of which such guarantee is made may extend beyond the current year, such guarantee shall be deemed to be an act, the cost of which is to be raised in a subsequent year and shall be subject to the provisions of section 64 of The Ontario Municipal Board Act.

(4) For the purposes of this section, "person" includes a municipal corporation.

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book; Notice to redeem to be sent by mail

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide; Notice to redeem to be published

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the District Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and Where only portion of debentures payable on fixed date

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year during the currency of debentures issued under this section shall be approximately equal. Annual amounts payable to be approximately equal

11. Section 119 of the said Act is amended by adding thereto the following subsections: s. 119, amended

(4) A debenture may be registered as to both principal and interest in which case the interest thereon shall be paid by cheque and the debenture may be referred to as a fully registered debenture. Registration of debenture as to principal and interest

(5) Where debentures are payable in a currency other than that of Canada, the District Council may provide that the Debenture Registry Book of the District Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the District Council considers appropriate. Where Debenture Registry Book may be maintained outside Canada

12. Subsection 1 of section 130 of the said Act, as re-enacted by the Statutes of Ontario, 1974, chapter 119, section 10, is repealed and the following substituted therefor: s. 130 (1), re-enacted

(1) Section 5, Parts XV, XVI, XVII and XXI, sections 248*a*, 249 and 254, subsection 3 of section 308 and paragraphs 3, 10, 11, 12 and 24 of section 352 of *The* Application of R.S.O. 1970, c. 284

Municipal Act apply *mutatis mutandis* to the District Corporation, and for the purposes of section 394 of *The Municipal Act* the District Corporation shall be deemed to be a local municipality.

s. 132, re-enacted

13. Section 132 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 119, section 11, is repealed and the following substituted therefor:

Expenditures for diffusing information

132. The District Corporation may make expenditures for the purpose of diffusing information respecting the advantages of the district municipality as an industrial, business, educational, residential or vacation centre.

s. 133, repealed

14. Section 133 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 119, section 12, is repealed.

Commencement

15. This Act comes into force on the day it receives Royal Assent.

Short title

16. This Act may be cited as *The District Municipality of Muskoka Amendment Act, 1976*.

SECTION 13. The specific authority now possessed by the District Corporation to make annual grants for the purpose of diffusing information is no longer required in the light of the broad general granting power contained in section 248*a* of *The Municipal Act*, now made applicable to the District Corporation. The section is set out below, showing underlined the words to be deleted.

132. The District Corporation may make expenditures for the purpose of diffusing information respecting the advantages of the district municipality as an industrial, business, educational, residential or vacation centre and may make annual grants for a period not exceeding five years, and upon the expiration of any such period may make similar grants for a further period not exceeding five years.

SECTION 14. The specific authority now possessed by the District Council to make grants to persons engaged in works deemed advantageous to the District Area is no longer required in the light of the broad general granting power. The section to be repealed reads as follows:

133. The District Council may make annual grants to institutions, associations and persons carrying on or engaged in works that in the opinion of the District Council are for the general advantage of the inhabitants of the District Area.

An Act to amend
The District Municipality of
Muskoka Act

1st Reading

June 8th, 1976

2nd Reading

3rd Reading

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and Minister of
Economics and Intergovernmental
Affairs

(*Government Bill*)

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The District Municipality of Muskoka Act

THE HON. W. D. McKEOUGH
Treasurer of Ontario and Minister of Economics and Intergovernmental Affairs

(Reprinted as amended by the Committee of the Whole House)

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

Explanatory Notes

Section 1. The effect of the amendment is to enlarge from 30 to 60 days the period of time within which the council of the appropriate area municipality must appoint a successor in the event of a vacancy occurring on the District Council. The subsection presently reads as follows:

> (4) *When a vacancy occurs in the office of a member, other than the chairman or the head of the council of an area municipality, the council of the area municipality from which he was elected shall by by-law within thirty days after the vacancy occurs appoint a successor, who is eligible to be elected a member of the District Council, to hold office for the remainder of the term of his predecessor.*

Section 2. The effect of the amendment is to permit a person to act as auditor of the District Corporation despite having rendered any professional services in the preceding year to the District Corporation, an area municipality or a local board thereof. The subsection presently reads as follows:

> (3) *No person shall be appointed as an auditor of the District Corporation who is or during the preceding year was a member of the District Council or of the council of an area municipality or of any local board, the accounts and transactions of which it would as auditor be his duty to audit, or who has or during the preceding year had any direct or indirect interest in any contract with the District Corporation or an area municipality or any such local board, or any employment with any of them other than as an auditor.*

Section 3. Approval under *The Highway Traffic Act* is now no longer required to local municipality traffic by-laws and the amendment deletes the references to such approval; the new subsections added permit the District Council to approve such traffic by-laws in part only and to withdraw any approval previously given. Similar powers were formerly exercised under *The Highway Traffic Act*. The subsection presently reads as follows:

> (1) *No by-law passed by an area municipality for the regulation of traffic on a highway under the jurisdiction and control of the area municipality, except a by-law for the regulation of parking, shall come into force until it has been approved by resolution of the District Council before it is submitted for approval under The Highway Traffic Act.*

Section 4. The effect of the amendment is to require the Liaison Committee to meet at least once every three months rather than at monthly intervals; there is no other change.

BILL 101 **1976**

An Act to amend The District Municipality of Muskoka Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 4 of section 11 of *The District Municipality of Muskoka Act*, being chapter 131 of the Revised Statutes of Ontario, 1970, is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty". s. 11 (4), amended

2. Subsection 3 of section 24 of the said Act is amended by striking out "as an auditor" in the eighth and ninth lines and inserting in lieu thereof "for services within his professional capacity". s. 24 (3), amended

3.—(1) Subsection 1 of section 56 of the said Act, as amended by the Statutes of Ontario, 1972, chapter 52, section 4, is further amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines. s. 56 (1), amended

(2) The said section 56 is amended by adding thereto the following subsections: s. 56, amended

(1*a*) A by-law submitted for approval of the District Council in compliance with subsection 1 may be approved in whole or in part and, where part only of a by-law is approved, that part only shall become operative. District Council may approve by-law in whole or in part

(1*b*) The District Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice. Withdrawal of approval

4. Section 87 of the said Act is repealed and the following substituted therefor: s. 87, re-enacted

Liaison Committee

87. The District Council shall establish a committee of seven persons consisting of the chairman and one representative from the council of each area municipality to be known as the Muskoka District Police Liaison Committee which shall meet at least once every three months with the representatives of the Ontario Provincial Police to discuss police matters within the District Area.

s. 101 (1) (*b*), re-enacted

5. Clause *b* of subsection 1 of section 101 of the said Act is repealed and the following substituted therefor:

(*b*) "urban service" means,

(i) land drainage,

(ii) the collection and removal of ashes or garbage or other refuse, or

(iii) street lighting.

s. 104 (4, 5), re-enacted

6. Subsections 4 and 5 of section 104 of the said Act are repealed and the following substituted therefor:

Purpose of fund

(4) The moneys in the fund established under subsection 3 may be used only to defray the costs of the District Council in exercising its powers under Part III-A and for pollution control measures undertaken in the District Area, which measures are in addition to the normal pollution control measures being undertaken by the Muskoka-Parry Sound Health Unit.

Payment out of fund for waste disposal site

(4*a*) Notwithstanding subsection 4, the District Council may pay out of the fund established under subsection 3 such sum as it considers desirable to an area municipality to defray in whole or in part the expenses of such area municipality in acquiring, establishing and maintaining a site for the purpose of receiving, dumping and disposal of ashes, garbage, refuse and domestic or industrial waste.

Cost of District Council under Part III-A

(5) None of the costs of the District Council in exercising its powers under Part III-A shall form part of the levy under section 92 except as provided in subsection 4.

s. 105, repealed

7. Section 105 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 119, section 9, is repealed.

s. 110*a*, enacted

8. The said Act is amended by adding thereto the following section:

Temporary borrowing R.S.O. 1970, c. 332

110*a*.—(1) Where the District Corporation has entered into an agreement under *The Ontario Water Resources Act* whereby the District Corporation is entitled to receive moneys from the Crown, the District Council pending the receipt of such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a

SECTION 5. The amendment deletes from the definition of "urban service",

(i) the collection and disposal of sewage, and

(ii) the provision and distribution of an adequate supply of water.

The responsibility for these two matters became a function of the District Corporation on the 1st day of January, 1975, and their inclusion in relation to a service to be provided by an area municipality is not now appropriate.

SECTION 6. The fund referred to in subsection 4 is the pollution control fund the District Council is required to establish and maintain. Those moneys are to be expended by the District Council only to defray its costs in exercising its sewage disposal powers. The amendment changes the reference from Part III of the Act to Part III-A, where such powers are now to be found.

SECTION 7. Section 105 provides for certain sums of money to be paid to the District Corporation out of the Consolidated Revenue Fund in each of the years 1971 to 1975 inclusive, as a form of special provincial assistance. It is repealed as being obsolete.

SECTION 8. The section added permits the District Council, in cases where the District Corporation has entered into an agreement under *The Ontario Water Resources Act*, whereunder moneys will be received by the Corporation from the Crown, to arrange temporary financing pending the receipt of the moneys; the power is analogous to that which is conferred on the District Council pending the issue and sale of debentures that have been approved by the Municipal Board.

SECTION 9. The amendments relate to debentures and provide for the following:

(1) The present requirement that all debentures authorized by the same by-law of the District Council be issued at the same time is deleted.

(2) The investment powers of the District Corporation in respect of sinking fund moneys is expanded. Such moneys will be able to be invested in United States of America securities and such other types of securities as the Lieutenant Governor in Council authorizes. Presently investments of such moneys are limited to the following:

(*a*) in securities in which a trustee may invest under *The Trustee Act*;

(*b*) in debentures of the District Corporation;

(*c*) in temporary advances to the District Corporation pending the issue and sale of any debentures of the District Corporation;

(*d*) in temporary loans to the District Corporation for current expenditures, but no loan for such purpose shall be made for a period ending after the end of the calendar year in which the loan is made.

(3) The District Corporation is given the same power as is conferred on local municipalities under section 291*a* of *The Municipal Act* to issue "term debentures". The retirement fund for the term debentures is to be administered by the sinking fund committee of the District Corporation. All debentures issued by the District Corporation, regardless of the date of issue or the date of maturity are to rank equally.

bank or a person for temporary advances from time to time.

Application of proceeds

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the District Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the District Corporation has received the moneys to which it is entitled from the Crown under the said agreement such moneys shall be applied first in repayment of the advances.

R.S.O. 1970, c. 332

s. 111 (9), amended

9.—(1) Subsection 9 of section 111 of the said Act is amended by striking out "at one time and" in the first line.

s. 111 (30), amended

(2) Subsection 30 of the said section 111 is amended by adding thereto the following clauses:

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

s. 111, amended

(3) The said section 111, as amended by the Statutes of Ontario, 1972, chapter 52, section 10, is further amended by adding thereto the following subsections:

Term debentures

(42) A money by-law may authorize the issue of debentures of which a portion shall be payable on a fixed date with interest payable annually or semi-annually, in which case such debentures shall be known as term debentures.

Amounts to be raised annually

(43) In respect of the term debentures, the by-law shall provide for raising,

(*a*) in each year of the currency of the term debentures, a sum sufficient to pay the interest on the term debentures; and

(*b*) in each year of the currency of the term debentures in which no other debentures issued under the same by-law become due and payable, a specific amount to form a retirement fund for the term debentures which, with interest at a rate not to exceed 5 per cent per annum compounded yearly, will be sufficient to pay the principal of the term debentures at maturity.

Retirement fund administration

(44) The retirement fund for the term debentures shall be administered by the sinking fund committee in all

respects in the same manner as a sinking fund established under this section, and the provisions of subsections 21 to 41 of this section with respect to a sinking fund shall apply *mutatis mutandis* to such retirement fund.

All debentures to rank equally

(45) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the District Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures.

s. 111*a*, enacted

10. The said Act is further amended by adding thereto the following section:

Debentures payable on a fixed date subject to annual redemption by lot of a specified principal amount

111*a*. Notwithstanding any other provision of this Act,

(*a*) a money by-law of the District Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the District Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the District Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

Interest ceases to accrue on date set for redemption

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the District Corporation for the payment of the principal amount thereof;

Debentures to be redeemed may be purchased

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the District Corporation at a public meeting of the District Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the District Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption;

SECTION 10. The effect of the added section is to confer on the District Corporation the same power as is conferred on local municipalities under section 289 of *The Municipal Act* to issue debentures all or a portion of which may be made payable on a fixed date, subject to the obligation of the Corporation to redeem annually, by lot, a certain specified principal amount of the debentures.

SECTION 11. The effect of the amendment is to authorize debentures of the District Corporation to be registered both as to principal and to interest and to provide that where debentures are issued in a currency other than that of Canada the Debenture Registry Book may be maintained outside Canada. Local municipalities have the same authority under section 326 of *The Municipal Act*.

SECTION 12. The broad general granting power conferred on local municipalities under section 248*a* of *The Municipal Act* is given to the District Corporation. Section 248*a* reads as follows:

248a.—(*1*) *Notwithstanding any special provision in this Act or in any other general or special Act, the council of every municipality may, subject to section 248, make grants on such terms and conditions as to security and otherwise as the council may consider expedient to any person, institution, association, group or body of any kind, including a fund, within or outside the boundaries of the municipality for any purpose that, in the opinion of the council, is in the interests of the municipality.*

(*2*) *The power to make a grant includes the power to guarantee a loan and to make a grant by way of loan and to charge interest on such loan.*

(*3*) *A guarantee of loan made under this section shall be deemed to be a debt for the purposes of section 293 and, where the term of the loan in respect of which such guarantee is made may extend beyond the current year, such guarantee shall be deemed to be an act, the cost of which is to be raised in a subsequent year and shall be subject to the provisions of section 64 of The Ontario Municipal Board Act.*

(*4*) *For the purposes of this section, "person" includes a municipal corporation.*

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book; Notice to redeem to be sent by mail

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide; Notice to redeem to be published

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the District Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and Where only portion of debentures payable on fixed date

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year during the currency of debentures issued under this section shall be approximately equal. Annual amounts payable to be approximately equal

11. Section 119 of the said Act is amended by adding thereto the following subsections: s. 119, amended

(4) A debenture may be registered as to both principal and interest in which case the interest thereon shall be paid by cheque and the debenture may be referred to as a fully registered debenture. Registration of debenture as to principal and interest

(5) Where debentures are payable in a currency other than that of Canada, the District Council may provide that the Debenture Registry Book of the District Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the District Council considers appropriate. Where Debenture Registry Book may be maintained outside Canada

12. Subsection 1 of section 130 of the said Act, as re-enacted by the Statutes of Ontario, 1974, chapter 119, section 10, is repealed and the following substituted therefor: s. 130 (1), re-enacted

(1) Section 5, Parts XV, XVI, XVII and XXI, sections 248*a*, 249 and 254, subsection 3 of section 308 and paragraphs 3, 10, 11, 12 and 24 of section 352 of *The* Application of R.S.O. 1970, c. 284

Municipal Act apply *mutatis mutandis* to the District Corporation, and for the purposes of section 394 of *The Municipal Act* the District Corporation shall be deemed to be a local municipality.

s. 132, re-enacted

13. Section 132 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 119, section 11, is repealed and the following substituted therefor:

Expenditures for diffusing information

132. The District Corporation may make expenditures for the purpose of diffusing information respecting the advantages of the district municipality as an industrial, business, educational, residential or vacation centre.

s. 133, repealed

14. Section 133 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 119, section 12, is repealed.

Commencement

15. This Act comes into force on the day it receives Royal Assent.

Short title

16. This Act may be cited as *The District Municipality of Muskoka Amendment Act, 1976*.

SECTION 13. The specific authority now possessed by the District Corporation to make annual grants for the purpose of diffusing information is no longer required in the light of the broad general granting power contained in section 248*a* of *The Municipal Act*, now made applicable to the District Corporation. The section is set out below, showing underlined the words to be deleted.

132. The District Corporation may make expenditures for the purpose of diffusing information respecting the advantages of the district municipality as an industrial, business, educational, residential or vacation centre and may make annual grants for a period not exceeding five years, and upon the expiration of any such period may make similar grants for a further period not exceeding five years.

SECTION 14. The specific authority now possessed by the District Council to make grants to persons engaged in works deemed advantageous to the District Area is no longer required in the light of the broad general granting power. The section to be repealed reads as follows:

133. The District Council may make annual grants to institutions, associations and persons carrying on or engaged in works that in the opinion of the District Council are for the general advantage of the inhabitants of the District Area.



An Act to amend
The District Municipality of
Muskoka Act

1st Reading

June 8th, 1976

2nd Reading

June 14th, 1976

3rd Reading

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and Minister of
Economics and Intergovernmental
Affairs

(*Reprinted as amended by the
Committee of the Whole House*)

BILL 101

3RD SESSION, 30TH LEGISLATURE, ONTARIO
25 ELIZABETH II, 1976

An Act to amend The District Municipality of Muskoka Act

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and Minister of Economics and Intergovernmental Affairs

TORONTO
PRINTED BY J. C. THATCHER, QUEEN'S PRINTER FOR ONTARIO

BILL 101 **1976**

An Act to amend The District Municipality of Muskoka Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1. Subsection 4 of section 11 of *The District Municipality of Muskoka Act*, being chapter 131 of the Revised Statutes of Ontario, 1970, is amended by striking out "thirty" in the fourth line and inserting in lieu thereof "sixty". s. 11 (4), amended

2. Subsection 3 of section 24 of the said Act is amended by striking out "as an auditor" in the eighth and ninth lines and inserting in lieu thereof "for services within his professional capacity". s. 24 (3), amended

3.—(1) Subsection 1 of section 56 of the said Act, as amended by the Statutes of Ontario, 1972, chapter 52, section 4, is further amended by striking out "before it is submitted for approval under *The Highway Traffic Act*" in the fifth and sixth lines. s. 56 (1), amended

(2) The said section 56 is amended by adding thereto the following subsections: s. 56, amended

(1*a*) A by-law submitted for approval of the District Council in compliance with subsection 1 may be approved in whole or in part and, where part only of a by-law is approved, that part only shall become operative. District Council may approve by-law in whole or in part

(1*b*) The District Council may withdraw its approval to any by-law or any part thereof by notice sent by registered mail to the clerk of the area municipality and such by-law or part thereof shall be deemed to be repealed twenty-one days after the sending of the notice. Withdrawal of approval

4. Section 87 of the said Act is repealed and the following substituted therefor: s. 87, re-enacted

Liaison Committee

87. The District Council shall establish a committee of seven persons consisting of the chairman and one representative from the council of each area municipality to be known as the Muskoka District Police Liaison Committee which shall meet at least once every three months with the representatives of the Ontario Provincial Police to discuss police matters within the District Area.

s. 101 (1) (*b*), re-enacted

5. Clause *b* of subsection 1 of section 101 of the said Act is repealed and the following substituted therefor:

(*b*) "urban service" means,

(i) land drainage,

(ii) the collection and removal of ashes or garbage or other refuse, or

(iii) street lighting.

s. 104 (4, 5), re-enacted

6. Subsections 4 and 5 of section 104 of the said Act are repealed and the following substituted therefor:

Purpose of fund

(4) The moneys in the fund established under subsection 3 may be used only to defray the costs of the District Council in exercising its powers under Part III-A and for pollution control measures undertaken in the District Area, which measures are in addition to the normal pollution control measures being undertaken by the Muskoka-Parry Sound Health Unit.

Payment out of fund for waste disposal site

(4*a*) Notwithstanding subsection 4, the District Council may pay out of the fund established under subsection 3 such sum as it considers desirable to an area municipality to defray in whole or in part the expenses of such area municipality in acquiring, establishing and maintaining a site for the purpose of receiving, dumping and disposal of ashes, garbage, refuse and domestic or industrial waste.

Cost of District Council under Part III-A

(5) None of the costs of the District Council in exercising its powers under Part III-A shall form part of the levy under section 92 except as provided in subsection 4.

s. 105, repealed

7. Section 105 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 119, section 9, is repealed.

s. 110*a*, enacted

8. The said Act is amended by adding thereto the following section:

Temporary borrowing R.S.O. 1970, c. 332

110*a*.—(1) Where the District Corporation has entered into an agreement under *The Ontario Water Resources Act* whereby the District Corporation is entitled to receive moneys from the Crown, the District Council pending the receipt of such moneys may, in order to meet expenditures incurred in carrying out the agreement, agree with a

bank or a person for temporary advances from time to time.

Application of proceeds

(2) The proceeds of every advance under this section shall be applied to the expenditures incurred in carrying out the agreement made by the District Corporation under *The Ontario Water Resources Act*, but the lender shall not be bound to see to the application of the proceeds and, when the District Corporation has received the moneys to which it is entitled from the Crown under the said agreement such moneys shall be applied first in repayment of the advances.

R.S.O. 1970, c. 332

9.—(1) Subsection 9 of section 111 of the said Act is amended by striking out "at one time and" in the first line.

s. 111 (9), amended

(2) Subsection 30 of the said section 111 is amended by adding thereto the following clauses:

s. 111 (30), amended

(*e*) in securities issued or unconditionally guaranteed as to principal and interest by the United States of America;

(*f*) in such other securities as are authorized by the Lieutenant Governor in Council.

(3) The said section 111, as amended by the Statutes of Ontario, 1972, chapter 52, section 10, is further amended by adding thereto the following subsections:

s. 111, amended

Term debentures

(42) A money by-law may authorize the issue of debentures of which a portion shall be payable on a fixed date with interest payable annually or semi-annually, in which case such debentures shall be known as term debentures.

Amounts to be raised annually

(43) In respect of the term debentures, the by-law shall provide for raising,

(*a*) in each year of the currency of the term debentures, a sum sufficient to pay the interest on the term debentures; and

(*b*) in each year of the currency of the term debentures in which no other debentures issued under the same by-law become due and payable, a specific amount to form a retirement fund for the term debentures which, with interest at a rate not to exceed 5 per cent per annum compounded yearly, will be sufficient to pay the principal of the term debentures at maturity.

Retirement fund administration

(44) The retirement fund for the term debentures shall be administered by the sinking fund committee in all

respects in the same manner as a sinking fund established under this section, and the provisions of subsections 21 to 41 of this section with respect to a sinking fund shall apply *mutatis mutandis* to such retirement fund.

All debentures to rank equally

(45) Notwithstanding the provisions of any general or special Act or any differences in date of issue or maturity, every debenture issued shall rank concurrently and *pari passu* in respect of payment of principal and interest thereon with all other debentures of the District Corporation except as to the availability of any sinking funds applicable to any particular issue of debentures.

s. 111*a*, enacted

10. The said Act is further amended by adding thereto the following section:

Debentures payable on a fixed date subject to annual redemption by lot of a specified principal amount

111*a*. Notwithstanding any other provision of this Act,

(*a*) a money by-law of the District Council may provide that all or a portion of the debentures to be issued thereunder shall be payable on a fixed date, subject to the obligation of the District Corporation to redeem by lot annually on each anniversary of the date of such debentures a specified principal amount of such debentures upon payment by the District Corporation of such principal amount plus accrued interest to the date of redemption and upon giving notice as provided in this section;

Interest ceases to accrue on date set for redemption

(*b*) the principal amount of every debenture that is called for redemption shall become due and payable on the date set for the redemption thereof and, after such date, interest ceases to accrue thereon where provision is duly made by the District Corporation for the payment of the principal amount thereof;

Debentures to be redeemed may be purchased

(*c*) the debentures to be redeemed on each anniversary of the date of such debentures shall be selected by lot by the treasurer of the District Corporation at a public meeting of the District Council and when redeemed shall be cancelled and shall not be reissued, provided always that the principal amount of the debentures to be redeemed in any year may be reduced by the principal amount of any debentures purchased by the District Corporation, at a price or prices not exceeding the principal amount thereof, and surrendered for cancellation on the date fixed for redemption;

(*d*) notice of intention to redeem any debenture shall be sent by prepaid mail at least thirty days prior to the date set for such redemption to the person, if any, in whose name the debenture may be registered at the address shown in the Debenture Registry Book; Notice to redeem to be sent by mail

(*e*) notice of intention to redeem any debenture shall be published at least thirty days prior to the date set for such redemption in such manner as the by-law may provide; Notice to redeem to be published

(*f*) where only a portion of the debentures issued under a by-law is payable on a fixed date, the obligation of the District Corporation to redeem by lot annually a specified principal amount of such debentures does not apply in any year in which an instalment of principal of the remaining debentures issued under such by-law becomes due and payable; and Where only portion of debentures payable on fixed date

(*g*) the aggregate amounts of principal and interest, or the amounts of principal, payable in each year during the currency of debentures issued under this section shall be approximately equal. Annual amounts payable to be approximately equal

11. Section 119 of the said Act is amended by adding thereto the following subsections: s. 119, amended

(4) A debenture may be registered as to both principal and interest in which case the interest thereon shall be paid by cheque and the debenture may be referred to as a fully registered debenture. Registration of debenture as to principal and interest

(5) Where debentures are payable in a currency other than that of Canada, the District Council may provide that the Debenture Registry Book of the District Corporation in respect of such debentures be maintained outside Canada by a corporation or person other than the treasurer and may make such other provisions for the registration and transfer of such debentures as the District Council considers appropriate. Where Debenture Registry Book may be maintained outside Canada

12. Subsection 1 of section 130 of the said Act, as re-enacted by the Statutes of Ontario, 1974, chapter 119, section 10, is repealed and the following substituted therefor: s. 130 (1), re-enacted

(1) Section 5, Parts XV, XVI, XVII and XXI, sections 248*a*, 249 and 254, subsection 3 of section 308 and paragraphs 3, 10, 11, 12 and 24 of section 352 of *The* Application of R.S.O. 1970, c. 284

Municipal Act apply *mutatis mutandis* to the District Corporation, and for the purposes of section 394 of *The Municipal Act* the District Corporation shall be deemed to be a local municipality.

s. 132, re-enacted

13. Section 132 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 119, section 11, is repealed and the following substituted therefor:

Expenditures for diffusing information

132. The District Corporation may make expenditures for the purpose of diffusing information respecting the advantages of the district municipality as an industrial, business, educational, residential or vacation centre.

s. 133, repealed

14. Section 133 of the said Act, as amended by the Statutes of Ontario, 1974, chapter 119, section 12, is repealed.

Commencement

15. This Act comes into force on the day it receives Royal Assent.

Short title

16. This Act may be cited as *The District Municipality of Muskoka Amendment Act, 1976*.

An Act to amend
The District Municipality of
Muskoka Act

1st Reading

June 8th, 1976

2nd Reading

June 14th, 1976

3rd Reading

June 21st, 1976

THE HON. W. D. MCKEOUGH
Treasurer of Ontario and Minister of
Economics and Intergovernmental
Affairs
